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Preface

The **CDE Stock Ownership Directory: Transportation Industry** is a concise reference guide to the ownership and control of the nation's leading transportation companies. The CDE profiles 176 major U.S. corporations, 101 of which are large enough to be ranked by ***Fortune.***

This transportation volume is the first in an industry-by-industry series of CDE Stock Ownership Directories. Each volume will present accurate and detailed information on the principal voting stockholders of major U.S. companies. We hope these publications will meet the growing demand for such information from public interest groups, journalists, industry analysts, librarians, regulatory agencies and lawmakers.

Many interested persons have already inquired about the CDE's plans to update this material. While forthcoming editions of this industry series will be produced on a more timely basis, the CDE intends to update each volume at least every four years, or more frequently if there is sufficient public interest. In addition, many of the larger companies active in more than one industry will be updated more frequently due to their inclusion in several directories of the CDE series. The CDE will also provide upon request updated profiles of individual companies.

Every effort has been made to guarantee the accuracy of the data. Invariably some errors are bound to appear in such a comprehensive compilation. We urge the readers to call these to our attention and welcome suggestions about how to make future editions more useful.

The **CDE Stock Ownership Directory: Transportation Industry** is the product of one and a half years of painstaking research. This time-consuming investigation would have been even more difficult had it not been for the pioneering studies of the U.S. Senate Subcommittee on Reports, Accounting and Management. In numerous hearings and reports since 1972, the Subcommittee surveyed the quantity and accuracy of corporate ownership data available to the public from federal regulatory agencies. The documentation, methodology and conclusions of the Subcommittee's investigation were essential building blocks for our study. We are deeply indebted to the Subcommittee and its Staff Director, Mr. Vic Reinemer, who generously shared with us his experience and knowledge of this complex subject.

This study was produced with the limited resources common to many non-profit organizations. It was made possible through grants from the Transnational Institute (a project of the Institute for Policy Studies), the World Council of Churches, the Fund for Tomorrow, the United Methodist Church, the Samuel Rubin Foundation, Charles Pillsbury, W.H. Ferry and Carol Bernstein Ferry, as well as other individuals. We are also indebted to the patient and enduring support of numerous other persons and organizations whose encouragement carried us through our most difficult moments. A special thanks is also due the many individuals who helped compile, process, verify, typeset, and lay out the data for this Directory.

The Editors

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CORPORATE DATA EXCHANGE, INC.

The Corporate Data Exchange, Inc. (CDE) is an independent tax-exempt research organization formed in 1975 to investigate economic concentration and corporate control. CDE reviews corporate disclosure practices and works with public interest groups, churches, trade unions and other non-profit organizations in applying its research skills and data to their needs. To further this objective the CDE is developing and maintaining a comprehensive data base on the largest companies, including transnational corporations. Future publications and services of the CDE include:

Stock Ownership Project:

1. **Directory Series:** this volume on transportation will be followed by an industry-by-industry series covering Agribusiness (Fall 1977), Banking, Defense, Mining and Energy.
2. **Updates:** each volume of the Stock Ownership Directory Series will be updated at least every four years, and more frequently if there is sufficient public interest.
3. **Computer Tape and Cards:** the stockholder information contained in each Directory is available on magnetic tape or punched cards.
4. **Index to Transportation Industry Stockholders:** this supplement provides a complete cross-reference of all stockholders appearing in the Transportation Directory. Publication: Fall 1977.

Institutional Subscription: subscribers to this service are entitled to two copies of all Directories and other publications appearing during the year, and have the right to special stockholder profiles on two companies of their choice. Annual fee: $500.

Stockholder Profile Service: stockholder profiles on individual public corporations, comparable to those appearing in the Stock Ownership Directories, are available on request. Fee per profile: $150.

Non-profit organizations with small budgets may be eligible for lower rates. Please inquire for terms.

Guide to the Directory

This Directory consists of two parts. Part One provides some basic facts about the transportation industry and Part Two presents profiles of 176 companies with their principal voting stockholders. The following abstract will help the user become more familiar with the structure of the Directory.

PRELIMINARIES

Company Index

Abbreviations and Symbols

Glossary

PART ONE: TRANSPORTATION INDUSTRY

Introduction

- General information on the transportation industry and changing relationships between its different sectors.
- Explanation of the criteria used to select the major transportation companies.

Sector Chapters

- Eight chapters detailing the structure, economic dynamics, and government involvement for each transportation sector.
- Eight operator charts ranking transportation companies by 1974 operating revenues, including market share information, and identifying corporate parents.
- Statistical information on commodities transported, financial performance, and government involvement, presented in 103 tables.

PART TWO: COMPANY PROFILES

Stockholder Information

- Ranking of principal voting stockholders and percent of total outstanding votes.
- Commonly-controlled entities, such as investment companies and insurance companies, grouped under one complex.
- Breakdown of holdings according to voting and total management power.
- Large holdings where discretionary rights are not known.
- Voting concentration of the top 5, 10, 15, 20, and 25 shareholders.

General Company Information

- Financial data for each company, including sales, debt, income tax paid, foreign operations, and a breakdown of operating revenue and income by business line.
- Principal underwriters and legal counsels, including fees paid.

HOW TO FIND A COMPANY

Most of your information searches will bring you to the 176 company profiles arranged in alphabetical order in Part Two. Such companies appear throughout the Directory in all UPPER CASE letters. Transportation companies which are subsidiaries or affiliates and do not appear in Part Two are printed in upper and lower case letters. To determine whether a company is profiled in Part Two, consult the company index on the following page.

Baltimore & Ohio RR Co	**RR**
CHESSIE SYSTEM INC	
BOMAINE CORP	**RR**
Boston & Maine Corp	**RR**
BOMAINE CORP	
BRANCH INDUSTRIES INC	**MF**

In this sample excerpt from the company index, the Baltimore & Ohio Railroad Co is a subsidiary which is ***not*** profiled in Part Two. The symbol RR tells you that financial information on the railroad can be found in the Railroad Operator Chart in Part One. The eight operator charts appear on the second page of their respective sector chapters. Stock information for the railroad's parent is presented in Part Two under the entry for the CHESSIE SYSTEM INC.

Company Index

The two-letter symbol used after a company indicates the operator chart in which the company appears. All companies printed in upper case are profiled in alphabetical sequence in Part Two.

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MF	Motor Carrier-Freight	42
MP	Motor Carrier-Passenger	56
AL	Airline	60
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PO	Oil Pipeline	86
FF	Freight Forwarder	96
WC	Water Carrier	104

- Acme Fast Freight Inc ... FF
  - THOMAS NATIONWIDE TRANSPORT LTD
- Aero Mayflower Transit Co Inc ... MF
  - MAYFLOWER CORP
- AIR EXPRESS INTERNATIONAL CORP ... FF
- AIRBORNE FREIGHT CORP ... FF
- ALEXANDER & BALDWIN INC ... WC
- ALGONQUIN GAS TRANSMISSION CO ... PG
- ALLEGHANY CORP ... MF
- ALLEGHENY AIRLINES INC ... AL
- ALLIED VAN LINES INC ... MF
- AMERFORD INTERNATIONAL CORP ... FF
- AMERICAN AIRLINES INC ... AL
- American Commercial Barge Line Co ... WC
  - TEXAS GAS TRANSMISSION CORP
- AMERICAN EXPORT INDUSTRIES INC ... MF, WC
- American Export Lines Inc ... WC
  - AMERICAN EXPORT INDUSTRIES INC
- AMERICAN NATURAL GAS CO ... PG
- American President Lines Ltd ... WC
  - NATOMAS CO
  - SIGNAL COS INC
- American Steamship Co ... WC
  - GATX CORP
- Amoco Pipeline Co ... PO
  - STANDARD OIL CO (INDIANA)
- Anchor Motor Freight Inc ... MF
  - LEASEWAY TRANSPORTATION CORP
- Arco Pipe Line Co ... PO
  - ATLANTIC RICHFIELD CO
- ARKANSAS BEST CORP ... MF
- Arkansas-Best Freight System Inc ... MF
  - ARKANSAS BEST CORP
- ARKANSAS LOUISIANA GAS CO ... PG
- ASSOCIATED TRANSPORT INC ... MF
  - EASTERN FREIGHT WAYS INC
- ASSOCIATED TRUCK LINES INC ... MF
- Atchison Topeka & Santa Fe Ry Co ... RR
  - SANTA FE INDUSTRIES INC
- ATLANTIC RICHFIELD CO ... PO
- Baltimore & Ohio RR Co ... RR
  - CHESSIE SYSTEM INC
- BOMAINE CORP ... RR
- Boston & Maine Corp ... RR
  - BOMAINE CORP
- BRANCH INDUSTRIES INC ... MF
- Branch Motor Express Co ... MF
  - BRANCH INDUSTRIES INC
- Braniff Airways Inc ... AL
  - BRANIFF INTERNATIONAL CORP
- BRANIFF INTERNATIONAL CORP ... AL
- Buckeye Pipe Line Co ... PO
  - PENN CENTRAL CO
- BURLINGTON NORTHERN INC ... RR
- Canadian Gulf Lines Inc ... WC
  - MACMILLAN BLOEDEL LTD
- CANADIAN NATIONAL RY CO ... RR
- CANADIAN PACIFIC LTD ... RR
- Canadian Transport Co Ltd ... WC
  - MACMILLAN BLOEDEL LTD
- CAROLINA FREIGHT CARRIERS CORP ... MF
- CENTRAL FREIGHT LINES INC ... MF
- Central Gulf Lines Inc ... WC
  - TRANS UNION CORP
- CHEMICAL LEAMAN TANK LINES INC ... MF
- Chemical Towing Co ... WC
  - KIRBY INDUSTRIES INC
- Chesapeake & Ohio Ry Co ... RR
  - CHESSIE SYSTEM INC
- CHESSIE SYSTEM INC ... RR
- Chevron Pipe Line Co ... PO
  - STANDARD OIL CO OF CALIFORNIA
- CHICAGO MILWAUKEE CORP ... RR
- Chicago Milwaukee St Paul & Pacific RR Co ... RR
  - CHICAGO MILWAUKEE CORP
- CHICAGO & NORTH WESTERN TRANSPORTATION CO ... RR
- CHICAGO ROCK ISLAND & PACIFIC RR CO ... RR
- CHROMALLOY AMERICAN CORP ... WC
- Chromalloy Transport-Marine Co ... WC
  - CHROMALLOY AMERICAN CORP
- CITIES SERVICE CO ... PG
- Cities Service Gas Co ... PG
  - CITIES SERVICE CO
- CLC OF AMERICA INC ... WC
- CLIPPER EXXPRESS CO ... FF
- COASTAL STATES GAS CORP ... PG
- COLONIAL PIPELINE CO ... PO
- Colorado Interstate Corp ... PG
  - COASTAL STATES GAS CORP
- COLUMBIA GAS SYSTEM INC ... PG
- Columbia Gas Transmission Corp ... PG
  - COLUMBIA GAS SYSTEM INC
- Columbia Gulf Transmission Co ... PG
  - COLUMBIA GAS SYSTEM INC
- Columbia Transportation Division ... WC
  - OGLEBAY NORTON CO
- CONSOLIDATED FREIGHTWAYS INC ... MF
- Consolidated Gas Supply Corp ... PG
  - CONSOLIDATED NATURAL GAS CO
- CONSOLIDATED NATURAL GAS CO ... PG
- CONTINENTAL AIR LINES INC ... AL
- CONTINENTAL OIL CO ... PO
- Continental Pipe Line Co ... PO
  - CONTINENTAL OIL CO
- Continental Trailways Inc ... MP
  - HOLIDAY INNS INC
- Coordinated Caribbean Transport Inc ... WC
  - TRANSWAY INTERNATIONAL CORP
- DELTA AIR LINES INC ... AL
- Delta Steamship Lines Inc ... WC
  - HOLIDAY INNS INC
- Denver & Rio Grande Western RR Co ... RR
  - RIO GRANDE INDUSTRIES INC
- DILLINGHAM CORP ... WC
- Dixie Carriers Inc ... WC
  - KIRBY INDUSTRIES INC
- DRAVO CORP ... WC
- EAST TEXAS MOTOR FREIGHT LINES INC ... MF
- EASTERN AIR LINES INC ... AL
- Eastern Express Inc ... MF
  - AMERICAN EXPORT INDUSTRIES INC
- EASTERN FREIGHT WAYS INC ... MF
- EASTERN GAS & FUEL ASSOCIATES ... WC
- EL PASO CO ... PG
- El Paso Natural Gas Co ... PG
  - EL PASO CO
- Elgin Joliet & Eastern Ry Co ... RR
  - UNITED STATES STEEL CORP
- EMERY AIR FREIGHT CORP ... FF
- EQUITABLE GAS CO ... PG
- Erie Lackawanna Ry Co ... RR
  - NORFOLK & WESTERN RY CO
- EXPLORER PIPELINE CO ... PO
- EXXON CORP ... PO
- Exxon Pipeline Co ... PO
  - EXXON CORP
- FARRELL LINES INC ... WC
- Flying Tiger Line Inc ... AL
  - TIGER INTERNATIONAL INC
- Foss Launch & Tug Co ... WC
  - DILLINGHAM CORP
- FREIGHTERS INC ... WC
- FRONTIER AIRLINES INC ... AL
  - GENERAL TIRE & RUBBER CO
- FUQUA INDUSTRIES INC ... MF
- Fyffes Group Ltd ... WC
  - UNITED BRANDS CO
- GARRETT FREIGHTLINES INC ... MF
- GATES RUBBER CO ... MF
- GATEWAY TRANSPORTATION CO INC ... MF
- GATX CORP ... WC
- GENERAL TIRE & RUBBER CO ... AL

Gotaas-Larsen Shipping Corp	WC
IU INTERNATIONAL CORP	
Grand Trunk Western RR Co	RR
CANADIAN NATIONAL RY CO	
Great Lakes Gas Transmission Co.	PG
AMERICAN NATURAL GAS CO TRANSCANADA PIPELINES LTD	
GREYHOUND CORP	MP
Greyhound Lines Inc	MP
GREYHOUND CORP	
GULF OIL CORP	PO
Gulf Refining Co	PO
GULF OIL CORP	
HOLIDAY INNS INC	MP, WC
Hughes Air Corp	AL
SUMMA CORP	
IC INDUSTRIES INC	RR
Illinois Central Gulf RR Co	RR
IC INDUSTRIES INC	
IML Freight inc.	MF
GATES RUBBER CO	
Inland Waterways Transportation Division	WC
POTT INDUSTRIES INC	
Interlake Steamship Co.	WC
MOORE MCCORMACK RESOURCES INC	
INTERPROVINCIAL PIPE LINE LTD	PO
Interstate Motor Freight System	MF
FUQUA INDUSTRIES INC	
ITEL CORP	WC
IU INTERNATIONAL CORP	MF, WC
JET AIR FREIGHT	FF
Jones Motor Co Inc.	MF
ALLEGHANY CORP	
KANSAS CITY SOUTHERN INDUSTRIES INC	RR
Kansas City Southern Ry Co	RR
KANSAS CITY SOUTHERN INDUSTRIES INC	
KIRBY INDUSTRIES INC	WC
Lakehead Pipe Line Co Inc	PO
INTERPROVINCIAL PIPE LINE LTD	
LEASEWAY TRANSPORTATION CORP	MF
LEE WAY MOTOR FREIGHT INC	MF
LONE STAR GAS CO	PG
Long Island RR Co.	RR
METROPOLITAN TRANSPORTATION AUTHORITY OF NY	
Louisville & Nashville RR Co	RR
SEABOARD COAST LINE INDUSTRIES INC	
DANIEL K LUDWIG INTERESTS	WC
Lykes Brothers Steamship Co Inc	WC
LYKES-YOUNGSTOWN CORP	
LYKES-YOUNGSTOWN CORP	WC
MACMILLAN BLOEDEL LTD	WC
Mammoth Bulk Carriers Ltd	WC
TRANS UNION CORP	
MAPCO INC	PO
MARATHON OIL CO.	PO
Marathon Pipe Line Co	PO
MARATHON OIL CO	
Marine Transport Lines Inc.	WC
GATX CORP	
MARITIME FRUIT CARRIERS CO LTD	WC
MASON & DIXON LINES INC.	MF
Matlack Inc	MF
RLC CORP	
Matson Navigation Co	WC
ALEXANDER & BALDWIN INC	
MAYFLOWER CORP	MF
MCLEAN TRUCKING CO	MF
METROPOLITAN TRANSPORTATION AUTHORITY OF NY	RR
Michigan Wisconsin Pipe Line Co	PG
AMERICAN NATURAL GAS CO	
Midland Enterprises Inc	WC
EASTERN GAS & FUEL ASSOCIATES	
Midwest Emery Freight System Inc.	MF
RENTAR INDUSTRIES INC	
MIDWESTERN GAS TRANSMISSION CO	PG
TENNECO INC	
MISSISSIPPI RIVER CORP	RR, PG
Mississippi River Transmission Corp	PG
MISSISSIPPI RIVER CORP	
MISSOURI PACIFIC RR CO	RR
MISSISSIPPI RIVER CORP	
MOBIL OIL CORP	PO
Mobil Pipe Line Co	PO
MOBIL OIL CORP	
Moore McCormack Lines Inc.	WC
MOORE MCCORMACK RESOURCES INC	
MOORE MCCORMACK RESOURCES INC	WC
NATIONAL AIRLINES INC	AL
National Bulk Carriers Inc.	WC
DANIEL K LUDWIG INTERESTS	
National Carloading Corp	FF
TWO HUNDRED & ONE ELEVENTH AVE CORP	
NATIONAL CITY LINES INC	MF
NATIONAL FUEL GAS CO	PG
National Fuel Gas Supply Corp.	PG
NATIONAL FUEL GAS CO	
NATIONAL RR PASSENGER CORP	RR
NATOMAS CO	WC
Natural Gas Pipeline Co of America	PG
PEOPLES GAS CO	
NAVAJO FREIGHT LINES INC	MF
UNITED TRANSPORTATION INVESTMENT CO	
NORFOLK & WESTERN RY CO.	RR
North American Van Lines Inc.	MF
PEPSICO INC	
NORTH CENTRAL AIRLINES INC	AL
NORTHERN NATURAL GAS CO	PG
NORTHWEST AIRLINES INC.	AL
NORTHWEST ENERGY CO	PG
Northwest Pipeline Corp.	PG
NORTHWEST ENERGY CO	
Offshore Marine Services Division	WC
POTT INDUSTRIES INC	
OGDEN CORP	WC
Ogden Marine Inc	WC
OGDEN CORP	
OGLEBAY NORTON CO	WC
OSG Bulk Ships Inc	WC
OVERSEAS SHIPHOLDING GROUP INC	
OSG International Inc	WC
OVERSEAS SHIPHOLDING GROUP INC	
OVERNITE TRANSPORTATION CO	MF
OVERSEAS SHIPHOLDING GROUP INC.	WC
OZARK AIR LINES INC	AL
Pacific Far East Line Inc	WC
FREIGHTERS INC	
PACIFIC GAS & ELECTRIC CO	PG
PACIFIC GAS TRANSMISSION CO	PG
PACIFIC GAS & ELECTRIC CO	
Pacific Intermountain Express Co	MF
IU INTERNATIONAL CORP	
Pacific Norse Shipping Ltd	WC
DILLINGHAM CORP	
Pacific Southwest Airlines	AL
PSA INC	
PACIFIC TRANSPORT CO	WC
PAN AMERICAN WORLD AIRWAYS INC.	AL
PANHANDLE EASTERN PIPE LINE CO	PG
PENN CENTRAL CO	RR, PO
Penn Central Transportation Co	RR
PENN CENTRAL CO	
PEOPLES GAS CO	PG
PEPSICO INC	MF
PHILLIPS PETROLEUM CO	PO
Phillips Pipe Line Co	PO
PHILLIPS PETROLEUM CO	
PIEDMONT AVIATION INC.	AL
Plantation Pipe Line Co.	PO
EXXON CORP	
POTT INDUSTRIES INC.	WC
PRUDENTIAL LINES INC	WC
PSA INC	AL
PUBLIC SERVICE ELECTRIC & GAS CO	MP
READING CO	RR
RENTAR INDUSTRIES INC.	MF
Republic Freight System Inc	FF
REPUBLIC INTERMODAL CORP	
REPUBLIC INTERMODAL CORP	FF
REYNOLDS R J INDUSTRIES INC	WC
RIO GRANDE INDUSTRIES INC	RR
RLC CORP	MF
ROADWAY EXPRESS INC	MF
ROYAL DUTCH/SHELL GROUP	PO
Ryder Truck Lines Inc	MF
IU INTERNATIONAL CORP	
ST LOUIS-SAN FRANCISCO RY CO	RR
St Louis Southwestern Ry Co	RR
SOUTHERN PACIFIC CO	
SANTA FE INDUSTRIES INC	RR
SEA CONTAINERS INC	WC
Sea Robin Pipeline Co	PG
SOUTHERN NATURAL RESOURCES INC UNITED GAS PIPE LINE CO	
Sea-Land Service Inc	WC
REYNOLDS R J INDUSTRIES INC	
SEABOARD COAST LINE INDUSTRIES INC.	RR

Seaboard Coast Line RR Co.	RR
SEABOARD COAST LINE INDUSTRIES INC	
SEATRAIN LINES INC	WC
Shell Pipe Line Corp	PO
ROYAL DUTCH/SHELL GROUP	
Shulman Air Freight Inc.	FF
SHULMAN TRANSPORT ENTERPRISES INC	
SHULMAN TRANSPORT ENTERPRISES INC	FF
SIGNAL COS INC	WC
Signal Delivery Service Inc	MF
LEASEWAY TRANSPORTATION CORP	
SMITH'S TRANSFER CORP	MF
SOO LINE RR CO	RR
CANADIAN PACIFIC LTD	
SOUTHERN AIRWAYS INC	AL
Southern Natural Gas Co	PG
SOUTHERN NATURAL RESOURCES INC	
SOUTHERN NATURAL RESOURCES INC	PG
SOUTHERN PACIFIC CO	RR, PO
Southern Pacific Pipe Lines Inc	PO
SOUTHERN PACIFIC CO	
Southern Pacific Transportation Co	RR
SOUTHERN PACIFIC CO	
SOUTHERN RY CO	RR
Spector Freight System Inc	MF
SPECTOR INDUSTRIES INC	
SPECTOR INDUSTRIES INC	MF
SSI Container Corp	WC
ITEL CORP	
SSI Navigation Inc	WC
ITEL CORP	
STANDARD OIL CO OF CALIFORNIA	PO
STANDARD OIL CO (INDIANA)	PO
States Steamship Co	WC
PACIFIC TRANSPORT CO	
Stor Dor Freight System Inc	FF
TRANSWAY INTERNATIONAL CORP	
SUMMA CORP	AL
SUN OIL CO	PO
Sun Pipe Line Co	PO
SUN OIL CO	
TENNECO INC	PG
Tennessee Gas Pipeline Co	PG
TENNECO INC	
Terminal Transport Co Inc	MF
TEXAS GAS TRANSMISSION CORP	
TEXACO INC	PO
TEXAS EASTERN TRANSMISSION CORP	PG, PO
Texas Eastern Transmission Corp Products Pipeline System	PO
TEXAS EASTERN TRANSMISSION CORP	
TEXAS GAS TRANSMISSION CORP	MF, PG, WC
Texas Gas Transmission Ltd	PG
TEXAS GAS TRANSMISSION CORP	
Texas & Pacific Ry Co	RR
MISSISSIPPI RIVER CORP	
Texas Pipe Line Co	PO
TEXACO INC	
THOMAS NATIONWIDE TRANSPORT LTD	FF
TIGER INTERNATIONAL INC	AL
TIME-DC INC	MF
NATIONAL CITY LINES INC	
Trans International Airlines Inc	AL
TRANSAMERICA CORP	
TRANS UNION CORP	WC
TRANS WORLD AIRLINES INC	AL
TRANSAMERICA CORP	AL
TRANSCANADA PIPELINES LTD	PG
TRANSCO COS INC	PG
TRANSCON LINES	MF
Transcontinental Gas Pipe Line Corp	PG
TRANSCO COS INC	
Transport of New Jersey	MP
PUBLIC SERVICE ELECTRIC & GAS CO	
TRANSWAY INTERNATIONAL CORP	FF, WC
Transwestern Pipeline Co.	PG
TEXAS EASTERN TRANSMISSION CORP	
Trunkline Gas Co	PG
PANHANDLE EASTERN PIPE LINE CO	
TWO HUNDRED & ONE ELEVENTH AVE CORP	FF
UAL INC	AL
Union Mechling Corp	WC
DRAVO CORP	
UNION PACIFIC CORP	RR
Union Pacific RR Co	RR
UNION PACIFIC CORP	
United Air Lines Inc	AL
UAL INC	
UNITED BRANDS CO	WC
UNITED GAS PIPE LINE CO	PG
UNITED PARCEL SERVICE OF AMERICA INC	MF, FF
United Parcel Service Co.	FF
UNITED PARCEL SERVICE OF AMERICA INC	
United Parcel Service Inc (NY)	MF
UNITED PARCEL SERVICE OF AMERICA INC	
United Parcel Service Inc (OH)	MF
UNITED PARCEL SERVICE OF AMERICA INC	
United States Lines Inc	WC
WALTER KIDDE & CO INC	
UNITED STATES STEEL CORP	RR
United Steamship Corp	WC
OVERSEAS SHIPHOLDING GROUP INC	
UNITED TRANSPORTATION INVESTMENT CO	MF
UNITED VAN LINES INC	MF
Universal Carloading & Distributing Co	FF
TRANSWAY INTERNATIONAL CORP	
Universe Tankships Inc	WC
DANIEL K LUDWIG INTERESTS	
WALTER KIDDE & CO INC	WC
WASHINGTON GAS LIGHT CO	PG
Waterman Marine Corp	WC
TRANSWAY INTERNATIONAL CORP	
WESTERN AIR LINES INC	AL
Western Carloading Co Inc	FF
TRANSWAY INTERNATIONAL CORP	
WESTERN PACIFIC INDUSTRIES INC	RR
Western Pacific RR Co	RR
WESTERN PACIFIC INDUSTRIES INC	
WILLIAMS COS	PO
Williams Pipe Line Co	PO
WILLIAMS COS	
WILSON FREIGHT CO	MF
Wisconsin Barge Line Inc	WC
CLC OF AMERICA INC	
WTC AIR FREIGHT	FF
YELLOW FREIGHT SYSTEM INC	MF

Abbreviations and Symbols

<, diversified holding company.
#, an individual or family member who is an officer or director of a profiled company.
+, investment bank or brokerage firm.
*****, investment company manager.
( ), negative number.
†, stock held through an intermediary.
a, operating income.
AGA, American Gas Association.
Amtrack, National Railroad Passenger Corporation.
Assur, Assurance.
ATA, American Trucking Association.
b, pretax income.
Ben, Benefit.
btu, British thermal unit.
c, earnings.
CAB, Civil Aeronautics Board
CN, subsidiary is fully consolidated in the parent's financial statement and balance sheet.
ConRail, Consolidated Rail Corporation.
Constr., construction.
Contr., contracting, contracts.
CU, cumulative.
Cust, Custodian.
CV, convertible.
d, income before interest.
def., deficit.
div., division.
Divd, Dividend.
DOT, Department of Transportation.
DT, debt.
e, income before unallocated corporate expenses and extraordinary items.
Emp, Employee.
Eq, Equity.
f, net income before gain on investment transactions.
F, *Fortune* ranking of diversified/financial companies.
Fam, Family
Fd, Fund.
FF, freight forwarder.
Fgn, Foreign.
FHA, Federal Highway Administration.
FMC, Federal Maritime Commission.
FPC, Federal Power Commission.
ICC, Interstate Commerce Commission.
Inc., income.
Ind., industrial.
Inst, Institutional.
Insur, Insurance.
Int., interest.
Internl, International.
Invest, Investment.
LCL, less-than-carload freight.
LNG, liquefied natural gas.
LTL, less-than-truckload freight.
mcf, thousand cubic feet.
MF, motor carrier—freight.
Mfg., manufacturing
mmbtu, million British thermal units.
Mngt, Management.
MP, motor carrier—passenger.
Mtge, Mortgage.
Mtl, Mutual.
NA, not available.
Natl, National.
NRF, not ranked by *Fortune*; CDE addition to *Fortune* rankings.
NROI, net railway operating income.
NVO, non-vessel operating water common carrier
Op., operations.
p, preliminary.
Pcts, Participants.
Pfd., preferred stock.
PG, pipeline—natural gas.
Pl, Plan.
Pld, Pooled.
Pn, Pension.
PO, pipeline—oil.
Pref., preference stock.
Proc., processing.
Prop., properties.
PT, profiled transportation company included in Part two.
Pur, Purchase.
Pvt., private.
REA, Railway Express Company.
Res., resources.
Retir, Retirement.
Rev., revenues.
RR, railroad.
S, stock.
Ser, Series.
Serv., services.
SNG, synthetic natural gas.
ST, CDE sample transportation operator.
T, *Fortune* ranking of transportation companies.
tcf, trillion cubic feet.
Thft, Thrift.
TOFC, trailer-on flatcar.
TR, Trust.
Transp., transportation.
U, *Fortune* ranking of utilities.
UN, subsidiary is not fully consolidated in the parent's financial statement and balance sheet, and is accounted for by the equity method only.
UPS, United Parcel Service.
USRA, United States Railway Association.
WC, water carrier.

Glossary

available seat-miles. Standard measure of maximum airline passenger capacity. Number of aircraft seats multiplied by number of miles flown.

Bankruptcy Act—Federal (Section 77). Section of federal law stipulating procedures for resolving problems of railroads unable to meet claims of their creditors. Creditors are essentially prevented from taking possession of property pledged to secure their obligations. The bankruptcy court appoints a trustee to keep the railroad in operation while attempting to restructure the company's debt obligations to the satisfaction of creditors. Holders of **equipment trusts,** however, are permitted to repossess railroad locomotives and freight cars if the company fails to maintain payments on these securities.

barrel-miles. Measure of oil pipeline traffic. Number of crude oil or petroleum products barrels carried one mile. Twenty barrels transported 100 miles yields 2,000 barrel-miles.

British thermal unit. Quantity of heat required to raise the temperature of one pound of water one degree Fahrenheit. A standard measure used to compare the relative energy content of different fuels.

bulk commodities. Mineral, agricultural or other raw materials which move in large traffic volumes and typically possess a low value relative to their weight.

certificated route carriers. CAB-regulated airlines performing regularly-scheduled service over designated routes. Known as scheduled airlines, these **operators** are also permitted to perform limited non-scheduled or charter runs.

certificates of public convenience and necessity. Operating certificates issued by regulatory agencies authorizing carriers to perform specified transport service. Applications are granted on the basis of a carrier's financial soundness and the "public need" for the proposed operation. The applicant must demonstrate that it meets both tests in regulatory hearings and carriers already possessing such certificates can protest such requests. Distribution of these operating authorities is a primary means by which regulatory authorities limit the number of firms providing air, rail, truck and gas pipeline transportation.

certificates of value. Federally-guaranteed securities issued by the United States Railway Association (USRA) to the seven bankrupt railroad estates whose property was reorganized into ConRail during 1976. If the ConRail stock initially issued to the creditors of these bankrupt railroads proves to be worth less than the property transferred to ConRail, the USRA will pay any difference to the holders of these certificates.

commodity clause. Provision contained in an amendment to the Interstate Commerce Act known as the Hepburn Act of 1906. No railroad is permitted to transport commodities in interstate commerce that it has produced. This measure was enacted to prevent railroads from charging high rates on certain goods such as coal in which they had a production interest. It has often been suggested that this restriction be applied to ICC-regulated petroleum pipelines.

common carrier. Regulated **for-hire carriers** which must accomodate all reasonable requests for their transportation services. This service is typically offered over designated routes according to regular schedules and at stipulated **rates.**

containerization. Generic term for intermodal transport facilitated through the use of standard-size steel boxes which permit rapid interchange of goods by eliminating freight loading and unloading. This technique, first used in truck-rail movements, is now applied to a large number of international shipments of manufactured goods by water.

contract carrier. Regulated **for-hire carriers** that only serve a limited number of shippers under continuing contracts and at stipulated **rates.**

deadweight tonnage. Standard measure of a ship's weight-carrying capacity. Calculated by taking the difference between a vessel's displacement when loaded versus unloaded.

domestic offshore shipping. Ocean transport between the mainland United States and outlying states or territories such as Hawaii, Guam and the U.S. Virgin Islands. Also known as non-contiguous coastal shipping, these movements are subject to Federal Maritime Commission regulation.

equipment lease. A method financing the acquisition of transportation rolling stock such as railroad freight cars, airplanes, and tractor-trailers. The transportation company makes rental payments to equipment manufacturers, commercial banks or insurance companies. These lessors retain both title and beneficial interest in the equipment. Consequently, they can repossess the rolling stock in the event of a payment default and also are able to depreciate the equipment. As a result, the interest rate on such leases are generally below that charged on more conventional financing arrangements. These "obligations" do not appear on the **operator's** balance sheet.

equipment trust. A method financing the acquisition of transportation rolling stock such as railroad freight cars, airplanes, and tractor-trailers. A transportation company pays 20-30% downpayment towards the final purchase price and makes arrangements to finance the remainder. Trust certificates are distributed to investors and a commercial bank typically acts as agent for the issue. The investor retains title to the equipment until the interest and principal are fully repaid. As a result, the encumbered equipment is not subject to the claims of other creditors. The **operator,** however, retains a beneficial interest which allows it to depreciate the rolling stock. These obligations appear on the company's balance sheet.

exempt carrier. Companies that provide for-hire intercity transport but are not federally regulated because they carry special commodities or conduct limited operations. Trucks hauling unprocessed agricultural goods and inland waterborne vessels transporting less than three bulk commodities in one trip are two important examples.

flag-of-convenience. Registration of ships under the laws of essentially non-maritime countries such as Panama and Liberia. These foreign registeries permit shipowners to construct their vessels in the most economical foreign shipyards, hire cheaper crews from many nations, and also provide anonymity and freedom from more stringent safety standards. While these vessels nominally represent the maritime fleets of foreign countries, a substantial number are actually owned by U.S. shipping interests.

foreign-flag carrier. Ocean vessels or airplanes registered abroad that perform international transportation and are prohibited from providing service between points wholly within the United States. Ships operating under foreign registeries do not necessarily represent foreign economic interests. In fact, three-fourths of the U.S.-owned fleet is registered under foreign flags (see **flag-of-convenience**).

for-hire carrier. A company that sells transport services to the public and primarily carries goods owned by separate parties.

grandfather clause. Provision allowing companies to be granted **certificates of public convenience and necessity** if they can prove they have conducted specific transportation operations before enactment of regulation.

interline traffic. Transport movements requiring the interchange of freight between different carriers within the same mode. For example, rail movements from San Francisco to New York where one company provides transport as far as Chicago with another firm completing the haul to New York. Approximately 50% of rail and 40% of truck shipments require this kind of traffic interchange.

joint venture pipeline. Oil pipelines controlled, through a variety of relationships, by at least two integrated petroleum companies. Parents may exercise control through stock ownership or through undivided interests (see **undivided interest line**). Several important products pipelines and the Alaskan pipeline are organized in this manner.

load factor. Percent of total transport capacity actually utilized in the operations of gas pipelines and airlines. In the case of oil pipelines called "throughput."

operating revenue. A corporation's gross sales. In the case of transport **operators** does not include revenue from non-transport activity.

operator. Company which directly provides transportation service.

originated tonnage. Standard measure of railroad and motor carrier traffic. Includes only traffic that began on the line of each individual carrier. Does not include tonnage received from other carriers in the same mode. Figure is used to avoid duplications in reporting tonnage arising from **interline traffic.**

passenger load factor. Standard measure of airline passenger operating capacity. Number of **passenger-miles** divided by **available seat-miles.**

passenger-mile. Standard measure of passenger traffic. Number of passengers carried one mile. Twenty passengers travelling 100 miles yields 2,000 passenger-miles.

passenger ton-mile. Measure of airline passenger traffic. Number of passenger tons carried one mile. Each passenger is assigned a standard weight value of 200 pounds. Twenty passengers travelling 100 miles yields 200 passenger ton-miles.

private carrier. Companies that transport their own goods and are generally prohibited from carrying freight owned by separate parties. These companies are not regulated except in the case of gas pipelines. Large manufacturing and mining companies which own or lease trucks to move their products to market are examples of this kind of carrier.

proved reserves. Estimate of known gas or oil reserves that can be profitably recovered under current technology and market conditions.

rate. Price for transportation service described in a **tariff.** A company must submit this price to a regulatory agency which in turn publishes it for review and discussion by interested parties.

rate bureau. A regional association of transportation companies which provide a collective forum for agreement on uniform **rates** and **tariffs.** Rail, truck, and water carrier rates are commonly set by such associations. This practice is protected from antitrust prosecution by an amendment to the Interstate Commerce Act known as the Reed-Bulwinkle Act of 1948. Also known as shipping conferences in domestic and international waterborne transportation.

rebate. Practice whereby a shipper receives a specific transport service below the established rate through kickbacks, special discounts, or under-the-table payments made by the carrier. An amendment to the Interstate Commerce Act known as the Elkins Act of 1903, specifically prohibits this practice.

right-of-way. Transportation routes such as railroad tracks, pipelines, highways, airways and waterways. These lines may be either privately-owned, with access restricted to transportation companies (railroad tracks), or publicly-owned, with access shared by many types of users (highways).

shipper association. Non-profit or cooperative associations that consolidate the **small shipments** of their members. While acting in effect as freight forwarders, these associations are exempt from ICC regulation.

small shipment. Shipment of any commodity that fails to fill the basic unit of transport such as a railroad car or truck-trailer. Also known as less-than-carload (LCL) railroad freight and less-than-truckload (LTL) motor carrier freight, the ICC defines LCL or LTL freight as any shipment that weighs less than 10,000 pounds.

supplemental carrier. Airlines offering non-scheduled passenger and freight service under CAB-issued certificates. Also known as "non-sked" or charters.

tariff. Published description filed with regulatory agencies of transportation services offered to the public at stipulated **rates.**

ton-mile. Standard measure of freight traffic. Number of tons carried one mile. Twenty tons of freight moved 100 miles yields 2,000 ton-miles.

undivided interest line. A **joint venture pipeline** that does not issue stock. Each controlling company treats its section of the system as a corporate division and is allotted a specified quantity of the total pipeline capacity. **Tariffs** and **rates** are established by each pipeline owner for goods delivered and transported through the system. A separate non-profit company, jointly-controlled by the pipeline owners, may be organized to operate the pipeline.

U.S.-flag carrier. Ships owned by a U.S.-incorporated company, manned by U.S. crews, registered under the maritime laws of this country and constructed in domestic shipyards.

user-charge. A government tax levied on parties utilizing publicly-financed **right-of-ways.** Through fuel taxes, weight charges, and tolls, the government collects varying percentages of its costs from different users, such as autos, trucks, and buses.

Part One

Introduction

INDUSTRY OVERVIEW

A highly complex, technologically advanced transportation system is necessary in a modern industrial economy. The impact of such a system on the national and world economy is both direct and indirect. Primarily, it provides the means for the physical distribution of goods; secondarily, shipping costs are incorporated in the prices of virtually all goods. For these reasons, the importance of transportation is much greater than its contribution to national income indicates (see Table I). Moreover, the development of a modern transport system has traditionally been treated as a matter of national concern, frequently prompting government action.

This CDE study concentrates on one segment of the total U.S. transportation system—U.S. companies offering domestic intercity and international services to the public. The basic arteries for U.S. domestic and international commerce are within this strategic sector. Automobiles, which are primarily vehicles for private transport, and local systems are both ***excluded.***

I. MODAL ASPECTS

The various transport modes did not become fully developed until recent times.* During the colonial period, coastwise shipping provided the primary means of transport, supplemented, to a limited extent, by an infant turnpike system. After the active promotion of canal development during the first three decades of the 19th century, inland water carriers emerged as the most important means of moving both domestic passengers and goods. Between 1830 and 1870, after decades of intense construction, railroads surpassed water carriers. For nearly 50 years thereafter, the railroad network and the national transportation system were practically synonymous. Perhaps the most notable feature of transportation in the 20th centruy has been the evolution of different modes offering specialized transport services.

A. Freight and Passenger

Today, domestic and international transportation is performed through a variety of modes (see Table II).** The freight market consists of two general product classifications: bulk commodities and manufactured goods. The former are mineral or agricultural products that tend to move in large volumes and have a low value relative to their weight. Manufactured goods generally move in small shipment flows and have a high value relative to their freight densities. The distinction between high and low value freight is important since transport pricing has traditionally been based, in part, upon the value of goods carried. Furthermore, certain modes are better equipped to handle high-value goods. Transport speed becomes more important as the value of goods increases, since it generally reduces a shipper's inventory requirements.

B. Market Share

The time when railroads were predominant in the freight market has long since passed. Trucks, offering rapid door-to-door service, travelling over an extensive highway network, and handling a broad scope of manufactured goods, have been the fastest growing element in the freight market. The use of pipelines to move energy products such as oil and gas has also expanded with the nation's growing demand for fuel. Inland water carriers have maintained their position in transporting bulk commodities. Thus while railroads remain an important factor in the total domestic intercity freight market, they have lost a substantial portion of manufactured goods to trucks and bulk commodities to pipelines (see Table III).

The non-automotive domestic passenger market, also once dominated by rail, is now served primarily by buses and airlines (see Table IV). International passenger travel, at one time divided evenly between air and sea, is now dominated by air (see Table V).

These modal traffic shifts have been accompanied by even sharper swings in the distribution of transportation revenues. Modes specializing in non-bulk commodity movements, such as trucks and airlines, have captured a larger share of regulated transport market revenues (see Table VI). Modal redistributions, however, have stabilized in recent years and major new changes are not expected during the next two decades.

C. Intermodal Traffic

A number of transport movements, especially manufactured goods, require the interchange of traffic between different modes. The development of containerization, where freight is packed in a standard-size steel box and sealed until final delivery, facilitates the rapid transfer of goods from ship, rail, and truck by eliminating loading and unloading. Containerization maximizes the inherent advantage of each transport means. Rails provide long-distance surface movements, ships perform ocean transport, and trucks specialize in shorter hauls. While containerization first developed in rail-truck movements, its recent growth has since been in ship-rail and ship-truck combinations for international transport.

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* A more detailed account of the structure, economic dynamics, and government involvement in ***each*** of the specific transport sectors covered in the Directory appears in the following eight chapters.

** Buses and airplanes are primarily passenger vehicles and international transport is an important feature of movements by air and sea. The transportation sector considered here, however, is primarily dedicated to domestic freight movements. If all forms of transportation are considered, including the automobile, the total national transportation expenditures are about evenly divided between passenger and freight movements. The total market is primarily domestic with less than 5% of the total spent on international movements.

D. Transport Costs

Transport costs for each mode contain different proportions of fixed (overhead) and variable components. By far the largest single fixed cost is investment in travel routes or right-of-ways. Airways must be developed, railroad track constructed, highways built, and waterways made navigable, all at enormous capital expense. Modes with the greatest percentage of fixed costs utilize privately-owned and maintained right-of-ways—such as pipelines and railroads. Such modes are only economical when operating at high capacities. Highway, air, and water transport, however, operate along public right-of-ways, which are constructed and maintained by federal, state, and local authorities. Government expenditures are recovered through fees linked to use, such as fuel taxes. For these modes, right-of-way costs vary according to the level of traffic.

E. Labor

The degree of labor intensity differs from mode to mode. Expenditures for wages and fringe benefits as a percentage of revenues range from less than 10% for pipelines to nearly 60% for trucks, which account for almost half of total transport employment (see Table VII). Transport labor tends to be highly skilled and employees are frequently represented by relatively powerful unions. Wages are higher than those paid to manufacturing and mining employees but somewhat below those received by construction workers.

F. Energy

All transportation, including the automobile, accounts for nearly one-fourth of total national energy consumption. The transportation sector discussed here, however, consumes less than 9% of the national total. Modal energy consumption ranges from railroads and water carriers, at the low end, to airplanes and trucks which are at the higher level (see Table VIII). Trains and buses, operating at peak loads, are far less energy intensive than autos or planes for intercity passenger travel (see Table IX).

II. FEDERAL GOVERNMENT INVOLVEMENT

As both promoter and regulator, the U.S. government has assumed an active role in the development of transportation through a number of programs that date back to the beginning of the 19th century. Nevertheless, government intervention has not taken the form of direct operations of transportation facilities. To date, underlying all forms of action has been the principle that ownership and management of facilities should remain in private hands.

A. Promotion

By far the largest part of federal aid has been distributed to develop highways, waterways, and airways, with more than $40 billion spent by 1975. Transport companies share these public right-of-ways with automobiles, pleasure boats, and smaller aircraft. All of these users, except for water carriers, are assessed charges designed to recover government costs.

The government has also distributed subsidies and loan guarantees directly to transportation companies. Railroads have been extended large land grants and airlines benefited from mail subsidies. This type of aid, initially advanced to assist newly-emerging modes, now serves to support the otherwise faltering operations of mature sectors. Since World War II, subsidies and loan guarantees have totalled nearly $10 billion, and current trends indicate an escalation in this type of support.

B. Regulation

With the regulation of railroads by the Interstate Commerce Commission in 1887, a precedent was established for the subsequent regulation applied to other modes. ***Economic regulation*** of transport is presently performed by four independent agencies which are neither part of the congressional or the executive branches of the federal government, although their budgets and operations are reviewed by Congress (see Table X). When the government determines that the marketplace has failed to equitably and efficiently distribute transport services, it intervenes to insure economic stability and fair practice. In its classic form, the government regulates transport companies as "public utilities." This means that price, market participation, and financial transactions are subject to government review and control to prevent excessively high prices in the absence of competition. Regulation attempts to mitigate the inequities of the market place while retaining private ownership and management. For the most part, railroads, airlines, and natural gas pipelines are subject to a public utility type of regulation (see Table XI). Domestic water carrier and motor carrier regulation, while legally assuming this form, contains numerous and important exemptions that leave most companies untouched by economic regulation.

COMPANY SELECTION

In order to select the largest U.S. transportation companies to be included in this study, the CDE began with a list of those companies which ***directly*** provide transportation services, referred to hereafter as ***operators***. Certain types of operators, however, were excluded, such as:

A. Private Carriers: These operators move goods which they own and are generally prohibited by law from transporting goods owned by other parties. Large manufacturing and mining companies, for example, commonly have corporate divisions which operate trucks and ships to transport their own goods to domestic and international markets. (Major private trucking and U.S. international water carrier fleets are listed in tables in sector chapters covering these modes.)

B. Exempt Carriers: Operators providing for-hire transport but carrying only ***special*** commodities or conducting ***limited*** operations are exempt from regulation. Trucks hauling unprocessed agricultural goods and inland water carriers transporting no more than three bulk commodities during one trip are examples of exempt carriers. Since these operators are unregulated, systematic and reliable financial information concerning their transportation activities is not available.

C. Certain International Carriers: Included in this category are air and sea operators incorporated ***abroad*** and active in U.S. foreign commerce. Some major U.S.-incorporated international water carriers may also have been omitted because the Federal Maritime Commission, which regulates such operators, does ***not*** make public relevant information which it collects.

These exclusions particularly affect the trucking and water carrier sectors (see Table XI). For the most part, the excluded trucking operators are private carriers which, strictly speaking, are not transportation companies. In the case of international and domestic shipping, some large for-hire operators could not be identified and, therefore, are not included in this study. However, the CDE did cover a sector traditionally excluded from the transportation industry—natural gas pipelines. Its inclusion affords an opportunity to make comparisons with oil pipelines.

The CDE, therefore, began with a list of the largest regulated operators for each sector, ranked by their revenues for the year ending December 31, 1974. Although these companies represent only a fraction of the total number of operators, they generate the bulk of regulated revenues for the transportation industry (see Table XII).

CDE OPERATOR CHARTS

The CDE next determined a revenue cut-off point for the ***sample operators*** to be included in its study. The objective was to include the largest operators within each mode as well as a sufficient number so that as a group they accounted for a significant portion of total sector revenues. In applying these two criteria the CDE took into account the average size of the companies and the degree of corporate concentration within each sector. As a result, different cut-off points were used in each mode and varying numbers of operators were selected. In all but one sector—motor carriers of freight—the CDE Sample Operators account for more than a majority of total sector revenues (see Table XIII). The 194 sample operators, ranked by revenues, are listed in the respective CDE Operator Charts which appear at the beginning of each sector chapter.

Many operators are subsidiaries or divisions of other corporations. A few are joint ventures. As a first step in this study of the ownership structure of the industry, each operator was surveyed to determine whether it was owned by or was a division of another corporation. The CDE defined any corporation which owned 40% or more of an operator's voting stock as a ***parent.*** In many cases these corporate relations had to be traced back through intermediaries to reach the ***ultimate parent.**** For easy reference, all the parents identified by this survey are listed with their operators in the CDE Operator Charts.**

The identification of parents allowed the CDE to more accurately measure the degree of corporate concentration within each transport mode. By combining commonly-owned operators and attributing their revenues to their ultimate parents, substantially higher levels of concentration were found in two sectors (see Table XIV).

Finally, from these lists of operators and parents, the CDE selected those companies which are profiled in Part Two (see Introduction to Part Two). Whenever a profiled company is referred to in the Directory, its corporate name is printed in UPPER CASE letters.

TABLE I. Transportation's Percent Contribution to National Income, 1950-1974

Industry	1950	1955	1960	1965	1970	1971	1972	1973	1974
Transportation	5.6	4.8	4.4	4.1	3.7	3.8	3.9	3.8	3.8
Manufacturing	31.6	32.6	30.3	30.6	27.2	26.4	26.8	27.0	26.8
Government	9.6	11.5	12.8	13.3	15.9	16.0	15.9	15.4	15.6
Wholesale and retail trade	17.0	15.8	15.5	14.9	15.2	15.3	15.0	14.6	14.5
Services	9.0	9.4	10.7	11.4	12.9	12.8	12.8	12.6	13.1
Finance, insurance, and real estate	9.1	10.3	11.1	11.0	11.2	11.6	11.5	11.1	11.1
Mining and construction	7.1	6.8	6.4	6.2	6.3	6.3	6.3	6.2	6.3
Agricultural, forestry, and fisheries	7.3	4.7	4.1	3.7	3.2	3.1	3.3	4.7	4.0
Communications and utilities	3.0	3.6	4.1	4.0	3.9	3.9	3.9	3.8	3.7
Rest of the world	0.5	0.5	0.6	0.7	0.6	0.7	0.7	0.8	1.0

NOTE: Transportation includes local, suburban, and highway passenger transport, railroads, airlines, motor carriers, and water carriers. Natural gas pipelines, which are included in this Directory, are not grouped under transportation in this table.

SOURCE: U.S. Department of Commerce, Bureau of the Census, *Statistical Abstract of the United States, 1975*, Washington, DC: U.S. Government Printing Office, p. 387.

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* In one exception, the DANIEL K LUDWIG INTERESTS, the parent was defined as a conglomerate of interests privately owned by one individual. The complex structure of certain parent/operator relations have been diagrammed in the corporate profiles of Part Two.

** In the case of water carriers, a list of the major operators and their ultimate parents could not be compiled in this manner. The Federal Maritime Commission does not publish the information required to identify the largest operators subject to its jurisdiction. Consequently, the CDE reversed its selection process, first identifying companies with significant shipping activities, and then listing operating subsidiaries wherever possible. Thus the parents were ranked according to their total shipping-related revenues, or, when these figures were not available, according to the total deadweight tonnage of their fleet.

TABLE II. Transport Characteristics of Different Modes

	SERVICE			GEOGRAPHY	
Mode	Passenger	Bulk Commodities	Manufactured Goods	Domestic	International
Rail	L	P	S	P	L
Truck	N	L	P	P	L
Bus	P	N	L	P	L
Air	P	N	L	P	S
Pipeline	N	E	N	P	L
Forwarder	N	N	E	P	S
Water	L	P	S	P	S

E—Exclusive P—Primary S—Secondary L—Limited N—None

NOTE: Symbols represent relative importance of each characteristic to the total transport activity of each particular mode. International includes U.S.-Canada and U.S.-Mexico land travel.

SOURCE: See CDE sector chapters in Part One.

TABLE V. Passengers Travelling Abroad by Air and Sea, 1950-1974

Year	Air	Sea[1]
1950	50.62%	49.38%
1955	64.47	35.53
1960	75.62	24.38
1965	83.28	16.72
1970	91.10	8.90
1971	92.54	7.46
1972	92.93	7.07
1973	92.97	7.03
1974	93.18	6.82

[1] Beginning in 1960, sea total includes cruise ship passengers.

NOTE: Includes travel between the United States and the rest of of the world, except for land travel, military travel, and movements between Canada and the United States.

SOURCE: Civil Aeronautics Board, Bureau of Accounts and Statistics, *Handbook of Airline Statistics, 1975 Edition,* Springfield, VA: National Technical Information Service, p. 189.

TABLE III. Percent Distribution of Domestic Intercity Freight Ton-Miles, 1950-1974

Mode	1950	1955	1960	1965	1970	1971	1972	1973	1974
Rail	57.44	50.43	44.73	43.67	39.83	38.19	37.80	38.51	38.93
Oil Pipeline	11.81	15.66	17.19	18.56	22.26	22.73	22.98	22.75	22.90
Truck	15.80	17.20	21.46	21.76	21.28	22.78	22.70	22.66	22.41
Inland Water	14.93	16.68	16.56	15.89	16.46	16.13	16.35	16.08	15.76
Air	0.03	0.04	0.06	0.12	0.17	0.17	0.18	0.18	0.18
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

NOTE: Totals may not add due to rounding.

SOURCE: U.S. Department of Commerce, Bureau of the Census, *Statistical Abstract of the United States, 1976,* Washington, DC: U.S. Government Printing Office, p. 583.

TABLE IV. Percent Distribution of Domestic Intercity Passenger-Miles, 1950-1973

Mode	1950	1955	1960	1965	1970	1971	1972	1973
Auto	86.20	89.01	90.10	88.86	86.60	87.11	86.82	86.51
Air	1.98	3.18	4.33	6.31	10.01	9.76	10.24	10.55
Bus	5.20	3.56	2.47	2.58	2.14	2.07	1.97	1.95
Rail	6.39	4.01	2.75	1.91	0.92	0.73	0.66	0.69
Inland Water	0.23	0.24	0.34	0.34	0.34	0.33	0.31	0.29
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

NOTE: Totals may not add due to rounding.

SOURCE: U.S. Department of Commerce, Bureau of the Census, *Statistical Abstract, 1976,* p. 583.

TABLE VI. Percent Distribution of Regulated Transportation Revenues, 1955-1974

Mode	1955	1960	1965	1970	1971	1972	1973	1974
Truck	28.54	30.25	32.34	32.42	33.76	34.29	24.74	33.42
Rail	44.68	34.19	29.02	24.73	24.25	23.45	23.39	23.56
Air[1]	8.47	12.10	15.92	20.65	20.30	20.47	20.39	20.76
Gas Pipeline	11.03	14.61	14.78	14.64	14.46	14.52	12.94	14.53
Forwarder[2]	2.16	1.92	1.84	2.10	2.00	2.22	2.56	2.59
Oil Pipeline	3.49	3.23	2.90	2.64	2.53	2.45	2.41	2.33
Bus[3]	NA	2.33	2.21[4]	2.00	1.93	1.79	1.71	1.69
Water[5]	1.63	1.38	0.99	0.81	0.78	0.81	0.85	1.13
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

1. Only includes scheduled airlines.
2. Includes small shipment revenues of air and surface operators.
3. Includes intrastate operators.
4. 1964 figures.
5. Includes only ICC-regulated carriers.

SOURCE: See CDE sector chapters in Part One.

TABLE VII. Transportation Employment and System Miles Operated, 1974

Mode	Employment	System Miles
Truck	1,182	657
Rail	583	326
Air	363	400
Water	209	25[1]
Bus	49	290[2]
Gas Pipeline	38[3]	264
Forwarder	25[4]	*
Oil Pipeline	15[5]	153

* Not relevant.

1. Inland mileage only.
2. Route miles operated.
3. FPC-regulated employment.
4. Figure estimated.
5. ICC-regulated employment.

NOTE: All figures in thousands.

SOURCE: Employment—U.S. Department of Commerce, Bureau of the Census, *Statistical Abstract, 1975,* p. 563; System Miles—See CDE sector chapters in Part One.

TABLE VIII. Total Transport Energy Consumption, 1972

Mode	Percent of Transport Total
Auto[1]	56.61%
Truck	14.54
Air[2]	7.84
Military	7.20
Gas Pipeline	4.30
Water	3.84
Rail	3.20
Oil Pipeline	1.64
Bus	0.63
Motorcycle	0.23
Total	100.00%

1. Includes personal use of light trucks.
2. Includes general aviation.

NOTE: Energy consumption is measured in British thermal units (Btu). Total transport energy consumption was 18,393 billion btu in 1972, which represented approximately one-fourth of total national energy consumption. Total does not add due to rounding.

SOURCE: U.S. Department of Transportation, *National Transportation Trends and Choices: To the Year 2000,* Washington, DC: U.S. Government Printing Office, 1977, p. 33.

TABLE IX. Energy Intensiveness of Different Intercity Passenger Vehicles

Vehicle	Passengers per Vehicle	Passenger-Miles per Fuel Gallon
Intercity Passenger Train	540-720	270-360
Intercity Bus	47	282
Standard Size Auto	6	108
Wide-Body Commercial Jet[1]	256-315	54-60
Twin Jet Commercial Aircraft[2]	68-106	37-47

1. 1,000-mile flight.

2. 500-mile flight.

NOTE: Assumes that vehicles operate under conditions of maximum or peak loads.

SOURCE: U.S. Senate, Committee on Appropriations, *Department of Transportation and Related Agencies Appropriations,* H.R. 8365, 94th Congress, 1st Session, Part 2, Washington DC: U.S. Government Printing Office, 1975, p. 1972.

TABLE X. Federal Transportation Agencies with Economic Regulatory Power

Agency	Agency Employees	Agency Budget	Carriers Regulated (Year Authorized)
Interstate Commerce Commission	2,100	$57	Railroads (1887) Oil Pipelines (1906) Trucks (1935) Buses (1935) Inland Water (1940) Surface Forwarders (1942)
Federal Maritime	300	9	Domestic Offshore and International Shipping (1916)[1]
Federal Power Commission[2]	1,450	42	Gas Pipelines (1938)
Civil Aeronautics Board	800	27[3]	Airlines (1938) Air Forwarders (1938)

1. Year regulation was instituted by predecessor agency.

2. Employment and budget figures include resources devoted to electric utility regulation.

3. Does not include money for airline subsidies.

NOTE: Budget and employment figures for fiscal year 1976. Budget in millions of dollars. Economic regulation includes government review and control of prices, market participation, and financial transactions. However, the carriers listed above are not all subject to the same degree of economic regulation.

SOURCE: See CDE sector chapters in Part One.

TABLE XI. Percent of Intercity Traffic Federally-Regulated by Mode, 1974

Mode	Federally Regulated	Nature of Exempt Traffic
Rail	100.0%	None
Bus	90.0[1]	Certain intrastate carriers
Air	88.7[2]	Intrastate carriers and small aircraft
Oil Pipeline	84.5	Intrastate carriers and certain interstate gathering lines
Gas Pipeline	65.0[3]	Intrastate carriers
Truck	43.8	Private carriers and carriers of unprocessed agricultural goods
Surface Forwarding	40.0[4]	Non-profit, cooperative, and other types of shipper associations
Water-Domestic	8.7[5]	Private carriers and certain for-hire bulk carriers
Air Forwarding	NA	Companies with less than $50,000 in annual revenues

1. Percent of passenger-miles.

2. Percent of passenger-miles transported by scheduled airlines.

3. Percent of marketed production transported by regulated companies.

4 Estimated figure based on tonnage originated by forwarders and shipping associations.

5. Includes inland, coastal, and domestic offshore.

NOTE: Unless otherwise indicated, percent of domestic intercity freight ton-miles transported by federally-regulated companies. U.S. foreign commerce transported by air and sea is subject to federal regulation. Foreign-flag air carriers are not regulated while both U.S.-flag and foreign-flag water carriers active in U.S. foreign trade are subject to FMC rate review.

SOURCE: See CDE sector chapters in Part One.

TABLE XII. Relative Importance of Largest Regulated Operators, 1974

		LARGEST REGULATED OPERATORS	
Carriers	Total Number of Regulated Operators	Number	Percent of Regulated Revenues
Railroads	629	69 Class I	81%
Motor Carriers-Freight	14,648	830 Class I	70
Motor Carriers-Passengers	950	90 Class I	81
Airlines	43	26 Largest	98
Natural Gas Pipelines	103	81 Class A & B	99
Oil Pipelines	104	21 Largest	97
Freight Forwarders	500	20 Largest	60
Water Carriers[1]	190	71 Class A & Maritime	97

1. ICC-regulated operators only, figures for 1972. Information for FMC-regulated operators not available.

SOURCE: See CDE sector chapters in Part One.

TABLE XIII. Survey of CDE Sample Operators

	CDE SAMPLE OPERATORS		
Carriers	Number	Revenue Cutoff Point	Percent of Total Sector Revenues
Railroads	30	$ 93,500	93.46%
Motor Carriers-Freight	40	75,000	29.60
Motor Carriers-Passengers	3	70,000	77.61
Airlines	21	100,000	94.96
Natural Gas Pipelines	30	105,000	90.96
Oil Pipelines	21	25,000	73.87
Freight Forwarders	15	30,000	58.77
Water Carriers[1]	34	*	NA

* None.

[1] Companies are ultimate parents with significant shipping interests. Some were listed on the basis of deadweight tonnage when water carrier revenue figures were not available.

NOTE: Revenue figures in thousands. Data for year's end 1974.

SOURCE: See CDE Operator Charts.

TABLE XIV. Market Share Concentration Based on Operating Revenues, 1974

	MARKET SHARES BEFORE COMBINING COMMONLY-OWNED OPERATORS			MARKET SHARES AFTER COMBINING COMMONLY-OWNED OPERATORS		
Carriers	Largest 4 Operators	Largest 8 Operators	Largest 12 Operators	Largest 4 Companies	Largest 8 Companies	Largest 12 Companies
Railroads	34.44%	55.11%	69.43%	38.96%	66.35%	82.70%
Motor Carriers-Freight	9.80	14.32	17.14	11.42	16.46	19.56
Motor Carriers-Passengers	63.26	69.82	74.23	77.61[1]	*	*
Airlines	48.00	75.66	86.84	48.00	75.66	86.84
Natural Gas Pipelines	26.70	45.60	60.49	30.54	50.51	67.80
Oil Pipelines	25.91	42.05	54.29	24.51	43.37	55.95
Freight Forwarders	27.43	42.63	53.09	35.30	49.86	59.59

* Not calculated.

[1] Includes only three companies.

NOTE: Due to insufficient information market shares could not be calculated for water carriers. Revenues of regulated carriers within each mode taken as total market.

SOURCE: See CDE Operator Charts.

Railroads

I. INDUSTRY STRUCTURE

A. Classifications

In this study, we examine railroad operating companies which directly originate, connect and terminate intercity traffic.* Since all railroad transportation is regulated by the Interstate Commerce Commission (ICC), the Commission's statistics provide complete industry coverage. For statistical and regulatory purposes, the ICC classifies railroad companies according to size: Class I is assigned to carriers with operating revenues exceeding $5 million, while smaller operators are given a Class II designation.

B. Transport Geography

With over 200,000 miles of main track, the railroad system extends into every region of the continental U.S., forming a nationwide grid. Since all individual carriers operate within regional areas, so that regional and national transit requires cooperation among independent lines, goods may originate on one line, pass through another and terminate on a third. This interline traffic represents one-half of all rail shipments and accounts for approximately 70% of total freight revenues.[1]

The U.S. railway system is divided by the ICC into three geographic areas: Eastern, Southern and Western. The Eastern and Southern Districts encompass the area east of the Mississippi River with the Ohio River and Virginia/North Carolina border serving as the north/south dividing line; the Western District lies west of Chicago. At year's end 1974, the 69 Class I railroads were assigned to the ICC districts as follows: 30 to the Eastern, 10 to the Southern and 28 to the Western.**

C. Concentration

There are more than 300 railroad companies, ranging in size from the billion-dollar corporation to the less than million-dollar company. Class I railroad companies represent less than 10% of the 300 corporations, but they predominate in terms of employment, track operated and traffic carried (see Table RR-I). These Class I carriers vary in size from the diminutive Minneapolis, Northfield and Southern ($5 million in revenues) to the giant Penn Central Transportation Co. ($2.4 billion in revenues).

A general historical trend toward concentration is evident in the industry since the beginning of this century (see Table RR-II). Since 1957, the industry has experienced a new wave of railroad consolidations as larger companies acquired the stock of, or merged with, other carriers. As a result, most of the Class I railroad companies currently reporting to the ICC are subsidiaries of other corporations.*

When market share percentages are calculated by consolidating the revenues of commonly-owned operators, it is apparent that a handful of large railroad companies account for most of the industry's revenues. In 1974, the 12 largest railroad companies had combined revenues of $14 billion, representing 80% of the total industry's revenues (see Table RR-III). A similar pattern of concentration is evident within each rail district. For example, the three largest railroad carriers within each district had 85% of the Eastern, 97% of the Southern and 50% of the Western revenues.[2]

D. Corporate Structure

The organization of KANSAS CITY SOUTHERN INDUSTRIES in 1962 marked the beginning of a new corporate trend in the railroad industry: the diversified holding company or so-called railroad conglomerate. Diversification is a response to the chronically low return on railroad investment. Through development of non-rail income sources, the railroad holding companies seek to even out cyclical rail earnings and expand into potentially more profitable areas. Potential regulatory impediments to diversification are, in part, circumvented through the formation of holding companies, which are not directly subject to ICC regulation.

Five years after the creation of KC SOUTHERN INDUSTRIES, railroad carriers under the control of multifaceted holding companies had operating revenues of $1 billion, or 10% of 1967 Class I revenues. By 1972, holding companies controlled railroad operators with $6.8 billion in revenues, or 50% of the Class I total revenues; when companies indirectly controlled are included, this figure increases to 57%. By 1974 at least one company went the diversification route to become a conglomerate (IC INDUSTRIES), with another 10 firms deriving at least 20% of their revenues or 10% of their incomes from non-transportation sources (see Table RR-IV).

Because of the industry's financial troubles, the activity of diversified holding companies is under scrutiny. Critics claim that the holding companies use income from railroad operations to diversify out of the industry,

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* Street railways and subway systems are excluded because they are not an integral part of interstate commerce.

**Although it is a Class I railroad, the NATIONAL RAILROAD PASSENGER CORP (Amtrak) is not assigned to a regional district.

* Of the 42 railroad operators on the CDE Railroad Operator Chart, 33 are subsidiaries of other corporations (see Operator Chart).

CDE Railroad Operator Chart: Top 42 Ranked by Revenues, 1974

Operator	Ultimate Parent[1]	Railroad Operating Revenues ($000)	Cumulative % of Total[2]	Railroad Assets ($000)	Railroad Debt ($000)	Debt/ Asset Ratio	Additional Information[3]
1. Penn Central Transportation Co	PENN CENTRAL CO†	2,247,261	13.04	4,271,428	1,830,912	42.9	Bankrupt 1970. Court appointed Trustees: Robert W. Blanchette, Richard C. Bond, John H. McArthur. Legal Counsels: Blank, Rome, Klaus & Kominsky, PA–$166; Covington & Burling, DC–$155. Merged into ConRail.
2. Southern Pacific Transportation Co	SOUTHERN PACIFIC CO†	1,323,391	20.73	2,952,803	849,711	28.8	
3. BURLINGTON NORTHERN INC	–	1,290,829	28.22	3,112,784	946,854	30.4	
4. Atchison Topeka & Santa Fe Ry Co	SANTA FE INDUSTRIES INC	1,071,993	34.44	2,123,327	375,672	17.7	Legal Counsels: Fennemore, Craig, Von Ammen & Udall–$129; McLeod, Alexander, Powel & Apffel–$99; Rainey, Welch, Wallace, Ross & Cooper–$96.
5. Union Pacific RR Co	UNION PACIFIC CORP	989,016	40.18	2,293,054	444,461	19.4	
6. NORFOLK & WESTERN RY CO	–	982,988	45.89	2,393,733	731,405	30.6	
7. SOUTHERN RY CO	–	909,325	51.16	1,742,097	430,539	24.7	
8. Seaboard Coast Line RR Co	SEABOARD COAST LINE INDUSTRIES INC†	680,104	55.11	1,881,380	532,790	28.3	Legal Counsels: Toole, Taylor, Moseley, Gable & Milton–$193; Giles, Hedrick & Robinson–$170; Webb, Swain & Watson–$137.
9. Baltimore & Ohio RR Co	CHESSIE SYSTEM INC (99.69%)	648,383	58.87	1,291,964	365,505	28.3	Legal Counsels: Steptoe & Johnson, DC–$278; Saul, Ewing, Remick & Saul, PA–$39.
10. MISSOURI PACIFIC RR CO	MISSISSIPPI RIVER CORP†	633,591	62.55	1,291,624	599,063	46.4	
11. Louisville & Nashville RR Co	SEABOARD COAST LINE INDUSTRIES INC	607,231	66.08	1,268,007	478,804	37.8	
12. Illinois Central Gulf RR Co	IC INDUSTRIES INC	577,843	69.43	1,321,706	414,526	31.4	
13. Chesapeake & Ohio Ry Co	CHESSIE SYSTEM INC	568,830	72.73	1,325,129	315,210	23.8	Legal Counsels: Steptoe & Johnson, DC–$486; Donovan, Leisure, Newton & Irvine, NY–$95.
14. CHICAGO & NORTH WESTERN TRANSPORTATION CO	–	484,957	75.55	455,826	305,819	67.1	
15. Chicago Milwaukee St Paul & Pacific RR Co	CHICAGO MILWAUKEE CORP (95.26%)	394,676,	77.84	707,209	224,010	31.7	
16. CHICAGO ROCK ISLAND & PACIFIC RR CO	–	367,614	79.97	423,808	108,656	25.6	Went bankrupt in March 1975.
17. Erie Lackawanna Ry Co	NORFOLK & WESTERN RY CO*	322,658	81.84	448,554	289,738	64.6	Bankrupt 1972. Court appointed Trustees: Thomas F. Patton, Ralph S. Tyler, Jr. Merged into ConRail.

Operator	Ultimate Parent[1]	Railroad Operating Revenues ($000)	Cumulative % of Total[2]	Railroad Assets ($000)	Railroad Debt ($000)	Debt/ Asset Ratio	Additional Information[3]
18. ST LOUIS-SAN FRANCISCO RY CO	–	284,447	83.50	532,100	211,976	39.8	
19. NATIONAL RR PASSENGER CORP	–	256,910	84.99	368,460	297,462	80.7	
20. St Louis Southwestern Ry Co	SOUTHERN PACIFIC CO†	183,987	86.05	483,703	75,171	15.5	
21. SOO LINE RR CO	CANADIAN PACIFIC LTD (55.74%)	179,792	87.10	317,809	101,102	31.8	
22. READING CO	–	150,250	87.97	322,153	92,069	28.6	Bankrupt 1971. Court appointed Trustees: Joseph L. Castle, A.L. Lewis, Jr. Merged into ConRail.
23. Texas & Pacific Ry Co	MISSISSIPPI RIVER CORP†	149,073	88.84	313,260	100,975	32.2	
24. Denver & Rio Grande Western RR Co	RIO GRANDE INDUSTRIES INC	140,814	89.65	328,200	73,763	22.4	Legal Counsel: Van Cott, Bagley, Cornwall & McCarthy, CO–$54.
25. Kansas City Southern Ry Co	KANSAS CITY SOUTHERN INDUSTRIES INC (93.76%)	132,168	90.42	252,956	88,438	35.0	Other Stockholder Interest: Equitable Life Insurance Society (4.34%)
26. Grand Trunk Western RR Co	CANADIAN NATIONAL RY CO*	112,715	91.07	177,255	379,415	214.1	
27. Long Island RR Co	METROPOLITAN TRANSPORTATION AUTHORITY OF NY	109,696	91.71	211,758	None	–	
28. Western Pacific RR Co	WESTERN PACIFIC INDUSTRIES INC	105,396	92.32	215,722	38,626	17.9	
29. Elgin Joliet & Eastern Ry Co	UNITED STATES STEEL CORP	103,126	92.92	108,184	None	–	Legal Counsel: Hackbert, Rooks, Pitts, Fullagar & Poust, IL–$196.
30. Boston & Maine Corp	BOMAINE CORP (95.8%)	93,639	93.46	222,411	67,433	30.3	Bankrupt 1972. Court appointed Trustees: Robert W. Meserve, Benjamin H. Lacy.
End of CDE Sample Operator List							
31. Missouri-Kansas-Texas RR Co	Katy Industries Inc	93,305		198,235			
32. Western Maryland Ry Co	CHESSIE SYSTEM INC	74,165		187,332			
33. Duluth Missabe Iron Range Ry Co	UNITED STATES STEEL CORP	73,445		122,576			
34. Lehigh Valley RR Co	PENN CENTRAL CO	69,476		176,516			
35. Bessemer & Lake Erie RR Co	UNITED STATES STEEL CORP	66,154		116,415			
36. Chicago & Eastern Illinois RR Co	MISSISSIPPI RIVER CORP	53,588		135,881			
37. Pittsburgh & Lake Erie RR Co	PENN CENTRAL CO	52,753		271,173			
38. Delaware & Hudson Ry Co	NORFOLK & WESTERN RY CO	52,592		95,950			

Operator	Ultimate Parent[1]	Railroad Operating Revenues ($000)	Cumulative % of Total[2]	Railroad Assets ($000)	Railroad Debt ($000)	Debt/ Asset Ratio	Additional Information[3]
39. Clinchfield RR Co	SEABOARD COAST LINE INDUSTRIES INC	49,893		95,792			
40. Detroit Toledo & Ironton RR Co	PENN CENTRAL CO	48,477		98,473			
41. Florida East Coast Ry Co	St Joe Paper Co (Alfred I du Pont Estate)	47,383		117,664			
42. Central RR Co of New Jersey	READING CO	46,871		109,624			

* Control over operator is exercised through one or more intermediaries.

† See diagram of control structure in Part Two.

1. For operators ranked 1 through 30 ultimate parent controls 100% of voting stock unless otherwise indicated.

2. Percent of total Class I revenues, which represent 98% of total revenues.

3. Legal counsels listed are those firms which received the largest fees from the railroad operator in 1974. All $ figures in thousands.

SOURCE: Interstate Commerce Commission, *Statement No. 100, 1974;* R-1 Annual Reports filed with the ICC for year's end 1974.

as well as contribute to a financially weakened railroad industry through high dividend payments, property transfers and other financial transactions. In an effort to support or refute such criticisms, the ICC is now investigating the financial relations between railroad subsidiaries and their holding companies.

Those advocating railroad diversification contend that it compensates for low rail earnings, and point out that diversification had been based primarily upon the use of assets not directly employed in railroading (such as landholdings). Thus the cash position of railroad subsidiaries is not adversely affected by the holding company's activity; on the contrary, the publicly-held holding company with a mix of income sources is more attractive to the equity market than is the traditional railroad company. Since the outlook for the holding companies is not tied solely to the fortunes of railroading, diversified corporations are more able to weather the financial downturns of the railroad industry.

II. ECONOMIC DYNAMICS

A. Market Trends

The transportation advantages inherent in railroading are well recognized. By employing equipment with enormous horsepower, and travelling along an exclusive right-of-way with little friction, goods can be transported great distances, expending a minimum of energy. Railroads are more energy-efficient than trucks when heavier loads or longer distances are involved. A fully loaded freight train travelling across main line track is three to four times more efficient than a truck. Water and pipeline transport possess similar efficiencies but cannot accommodate the wide-variety traffic moved by rail.

Railroads are an essential artery of commerce for a developed industrial economy. In terms of energy conservation, land use, safety and environmental impact, railroads offer a desirable alternative to other means of transport. Nonetheless, the industry has declined during the past thirty years. Rail share of the intercity freight market has dropped and growth of revenues has lagged behind that of other transportation modes.

Rail passenger traffic, the most obvious and extreme example of a fading market, is no longer an important revenue source for private operators (see Section II-C). Hence, the future of the industry (as it is presently organized) lies in its capacity to compete for freight carriage.

B. Traffic Composition: Freight

Even within the freight market, railroads lack a competitive advantage in certain areas. Motor carriers have taken a dominant position in the shipment of manufactured or consumer goods. Shippers of these goods are willing to pay higher transportation costs in return for faster and more flexible service. These commodities tend to move in more frequent shipments of smaller volume, conditions better suited to motor carriage. Increasingly, such traffic is bound for growth centers—suburban areas and newly-developed regions—where rail facilities are lacking.

Railroads are still competitive in the bulk commodity freight market. Products of the mining, agriculture and forestry industries move in large volumes and great weights. Because of regional specialization of raw material production, they also tend to travel longer distances. Thus bulk commodities provided 60% of tonnage and 40% of gross revenues for the railroad industry in 1974 (see Table RR-V and Table RR-VI).

Coal is the single most important commodity transported by rail, representing 25% of originated tonnage and 11% of gross freight revenues. The Eastern roads are particularly dependent on this traffic, with 20% of their revenues derived from coal shipments. Though less important to Southern roads, coal is responsible for 12% of their revenues. In addition to coal, other important commodity groups include field crops (wheat and corn), industrial chemicals (sodium and phosphate), primary iron and steel, transportation equipment (motor vehicles) and grain mill products (see Table RR-VII).

In spite of water carrier competition in certain regions, the railroads have successfully maintained their market share of bulk commodity shipments.[3] However, these historical generators of rail freight are a declining share of the Gross National Product. The general economic shift toward service and high-technology industries is reflected in the transportation market in the shift towards lighter-freight densities and consumer goods. Consequently, the railroads' share of the intercity freight market has fallen from 56% to 38% between 1950 and 1973 (see Table RR-VIII). Similarly, growth in rail revenues has not kept pace with that of other transportation revenues (see Table RR-IX).

C. Traffic Composition: Passenger

When it was the pride of the railroads, passenger service contributed over 20% to total revenues. In 1920, a banner year for rail travel, 1.2 billion passengers were carried 47 billion passenger-miles.* In following years, however, rail passenger operations contracted in response to competition from automobiles, buses and airplanes. By 1973, passenger traffic declined to 255 million passengers travelling 9.3 billion passenger-miles, generating less than 4% of total railroad revenues (see Table RR-X).

As passenger traffic diminished, companies pared costs by reducing train schedules, which in turn contributed to further erosion of traffic demand. Doubting that trains could ever again profitably compete for passenger traffic, railroad companies requested relief from chronic operating deficits through service abandonments or subsidies.

Potentially, railroads offer an attractive means of travel. In terms of fuel consumption, speed, safety and land use, rail passenger service can make a significant contribution to a modern transportation system. Consequently, the federal government acted to check further decline in rail travel by creating Amtrak in 1970. Thus, the revitalization of the nation's rail passenger network now rests with the federal government (see Section III-B).

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* Passenger-miles is the number of passengers carried one mile.

D. Labor

Mechanization is a major trend in railway economics, resulting in growing labor productivity as measured by the Bureau of Labor Statistics. However, increasing labor productivity has not been accompanied by commensurate opportunities to expand total labor output. Thus labor-saving technology has the net effect of reducing total employment needs. Also contributing to falling industry employment has been the declining importance of particularly labor-intensive railroad services, such as passenger transportation and shipment of freight requiring substantial terminal handling.

Railroad employment declined 57% in a 23-year period, from 1.24 million in 1950 to 533,000 by 1973. While total employee compensation increased during this period, labor's percentage of operating revenues dipped slightly from 48.5% to 47.9% (see Table RR-XI).

Unions have been an integral part of railroading for more than a century. More than 30 unions, organized primarily along craft lines, represent various categories of railway workers. In an attempt to coordinate and strengthen their bargaining power, four railroad brotherhoods were consolidated into the United Transportation Union in 1969.

Given the industry's shrinking employment, job security has been the primary issue in labor-management relations. By the mid-1950's, the unions were successful in including job protection provisions in labor contracts. Adherence to traditional work assignments, crew size regulations and job security clauses are essentially a means of preventing future employment erosion. It is these "work rules" that have generated charges that railway unions prevent the industry from realizing savings made possible by available technology.

E. Technological Changes

During the past 30 years, major improvements in rail technology have been introduced, resulting in more powerful locomotives, automated train monitoring systems, and mechanization of work functions.* Consequently labor productivity in intercity railroad transportation increased at a rate exceeding manufacturing between 1947 and 1974.[4] The development of new freight train technology represents the most potentially important recent industry innovation. Since traditional train service failed to adapt to changes in the freight market, manufactured or consumer goods are increasingly transported by motor carriers. However, piggyback train service, also known as containerization, provides the railroad industry with a means to compete profitably for such traffic.**

Piggyback freight movements utilize trucks for shipment pick-up and delivery, and railroads for longer-haul transport. At the point of shipment, piggyback freight is loaded into a truck trailer (or container) which is then sealed. When the truck arrives at the railroad terminal, the trailer (or container) is placed on a railroad flatcar. At the other end of the rail movement, the trailer (or container) is then hooked up to a truck for final delivery. Time-consuming and expensive loading/unloading of freight between truck trailer and railroad freight car is avoided.

Piggybacking was first offered as a regular train service in 1954. Since that time it has grown into a significant railroad operation. Between 1955 and 1974, carloads of piggyback freight as a percent of total freight cars loaded increased from .4% to 4.7% (see Table RR-XII). Currently, piggyback freight movements account for 5.7% of total Class I freight revenues.[5]

F. Financial Performance

During the past 30 years, the railroad industry's earnings have been below those of other transportation modes and the manufacturing sector. This low return on investment is the source of the industry's financial troubles. In 1974 the industry earned 4.3% on its investment, compared to a return of 5.8% for the entire transportation industry, 10.4% for public utilities, and 15.4% for the manufacturing sector (see Table RR-XIII).

Internally-generated funds fail to cover the costs of capital expenditures; consequently, railroads must rely on external sources of funds. Between 1956 and 1970, railroads raised more than $11 billion in external funds, with debt financing accounting for 95% of this total (see Table RR-XIV). The almost exclusive use of debt has resulted in rising interest payments and erosion in equity relative to total capitalization (see Table RR-XV).

A growing percentage of railroad long-term debt is composed of equipment obligations—a method of financing the purchase of locomotives and freight cars. Creditors retain title to the equipment until the obligations are fully repaid. Unlike other long-term debt payments, those on equipment debt are not suspended by the Courts during bankruptcy proceedings.

Because of this special security, equipment obligations have become the major form of railroad debt. Representing 35% of total rail debt in 1964, equipment obligations now account for almost 60%.[6] While equipment debt is essential to railroad financing, it has complicated the problem of railroad bankruptcies. Traditionally, railroad bankruptcies are resolved through capital restructuring; however, equipment debt cannot be refinanced or payments suspended. As these obligations represent a growing percentage of total debt, capital restructuring becomes a less viable means of resolving railroad bankruptcies.

Interest rates on borrowed capital now exceed the rate of return on railroad investment. Since World War II, net railway operating income (NROI)—the money available for fixed charges, dividend payments, and reinvestment—has been sensitive to cyclical variations. At the same time, fixed charges have steadily increased. A steady flow of income from non-rail sources (non-operating income) has been viewed as crucial to the industry in maintaining its interest coverage ratio (see Table RR-XVI).*

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* These innovations include: increased diesel-locomotive horsepower, automatic switching and signalling systems, mechanization of track maintenance, and use of computers to perform clerical work.

**There are two kinds of piggyback service: trailer-on-flatcar (TOFC) and container-on-flatcar (COFC). Currently, railroad piggyback freight movements predominantly use TOFC.

* It is not clear how much of the industry debt has a claim to non-railway income and therefore how much of this total income (NROI + non-operating income) should properly be viewed as providing interest coverage to total debt.

It should be noted that many of these industrywide financial trends are influenced by averaging in the operations of the seven bankrupt northeast railroad carriers. Since 1970, these railroad operators have been in bankruptcy, including the largest U.S. railroad--the PENN CENTRAL. While these financial trends are less severe in other railroad regions, a generally deteriorating financial situation is nevertheless evident. In both the Western and Southern districts, the rate of return has been below the "fair return" of 6% stipulated by Congress (see Table XVII). Furthermore, railroad bankruptcies are not confined to the seven northeast carriers--a handful of other operators are currently undergoing bankruptcy proceedings.

Responding to the northeast bankruptcies and acting to bolster the railroad system throughout the rest of the country, the federal government has reformed the Interstate Commerce Commission to create a more flexible regulatory mechanism; created Amtrak to remove the burden of passenger deficits; sponsored ConRail to reorganize the northeast railroads into a financially viable system; and delegated authority to the Department of Transportation to plan and administer federal aid to the national railroad system.

III. GOVERNMENT INVOLVEMENT

A. Economic Regulation: Interstate Commerce Commission

Railroad regulation originated in the economic conditions of the industry during the last half of the 19th century. As the dominant mode of inland transportation, railroads enjoyed monopolies in certain regions. For many Western farmers, a rail line represented their only link to the market. Along major freight routes, on the other hand, several rail cartels engaged in price wars in an attempt to achieve a superior position. Farmers demanded government protection from rail monopolies, and some members of the industry saw government intervention as a way to achieve economic and financial stability.

Eighteen eighty-seven marked the creation of the Interstate Commerce Commisssion, whose purposes were to prevent shipper discrimination, monopoly pricing, and curb predatory pricing. Subsequent legislation molded the Commission into an independent administrative tribunal with extensive powers of rate review, financial oversight and market control. Its regulation of the railroad industry became a model for the subsequent regulation of other transportation modes.

Few industries are as pervasively regulated as railroad transportation. This regulation is justified on several grounds. First, technology itself appears to prevent competitive organization of the industry. Large investment in track and equipment acts as a formidable barrier to market entry, and operations are most efficient when conducted on a large scale. Secondly, the nature of freight routing requires the cooperation of separate corporate entities. Some regional and most interregional freight movements involve the interchange of cars among independent lines, thereby requiring agreement on joint freight rates and other charges related to the collective use of privately-owned freight cars. Finally, since rail service is perceived as essential to the general economic welfare, the public interest may require the continuation of unprofitable operations.

Recent conditions in the railroad industry have put ICC regulation in a new perspective. Once the sole ongoing government instrument of rail policy, the Commission is now one of several federal bodies with railroad responsibilities. Created in 1966, the Department of Transportation (DOT) took over the technical and safety-related regulation formerly performed by the ICC. More recently, the DOT has become actively involved in the rehabilitation and rationalization of the industry. Secondly, the United States Railway Association was established in 1973 to implement the federal reorganization of the northeast carriers into ConRail. Finally, Congress has been more directly involved in the revitalization of the national railroad passenger system since Amtrak began its operations. (See Table RR-XVIII for a chronology of government involvement in railroad transportation.)

Responding to criticism that the Commission has contributed to the rail problem, Congress directed that certain regulatory practices be changed. The Rail Revitalization and Regulatory Reform Act of 1976 gives carriers greater pricing flexibility and promises a faster regulatory response to proposed mergers or consolidations.

Limiting the Commission's use of its rate suspension power, Congress provided railroad companies with greater freedom to set rates.[*] In changing the basis for determining minimum reasonableness, carriers will now have greater freedom to lower their rates. Similarly, the Commission is restrained from suspending a proposed increase when the carrier involved does not exercise "market dominance", as defined by the ICC, for the affected service. Generally, the Act establishes a zone of reasonableness under ICC rate regulation within which a carrier can lower or raise rates by 7% within one year.

The Commission is also required to develop more stringent standards in its regulation of railroad rate bureaus.[**] These modifications are designed to minimize the bureaus' power to adversely affect competitive rate making. The bureaus can no longer participate in single-line rate proposals or intervene in Commission rate hearings in order to protest independent action by one of their members. Collective action on interline rates is to be limited to carriers that can actually participate in the affected service.

Proposed acquisitions or mergers of rail lines require the approval of the Commission. In the past this often involved excessive regulatory delay. Carriers objecting to the proposed consolidation could indefinitely extend the ICC hearings.[7] Now the Commission is required to reach a decision within specified deadlines. In a newly created merger procedure, the Department of Transportation will become involved in the Commission review, and in this case a decision must be reached within two years (see Section III-D).

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[*] Rate changes must be published and filed with the ICC. The Commission can suspend the effectiveness of a rate proposal in order to investigate its lawfulness. In the event of a suspension, the Commission has seven months to determine whether the rate is too high or too low.

[**] Rate bureaus are regional carrier associations created to achieve collective agreements on rate proposals. They are specifically exempted from antitrust prosecution by the Reed-Bulwinkle Act of 1948.

Although the Congressional reform of the Interstate Commerce Commission was based on the principle that market forces should exercise a greater influence in rate-making, the Commission's basic regulatory functions remain intact. Recent legislation does not indicate a new trend towards deregulation of the industry. On the contrary, as discussed in the following sections, the government has become more deeply involved in the railroad industry.

B. Passenger Service: Amtrak

The NATIONAL RAILROAD PASSENGER CORP (Amtrak) represents a government commitment to revitalize rail passenger service. Created in 1970, the Amtrak system consists of more than 24,000 miles of track, representing all but a handful of the national intercity passenger routes. Government support of passenger service through Amtrak was instituted to check the precipitous decline in rail travel. After several decades of operating deficits attributed to passenger operations, railroads sought ICC permission to sharply curtail or abandon unprofitable passenger train service. In both 1969 and 1970, with passenger losses estimated at $200 million, railroad companies had neither the commitment nor, in some cases, the funds, to attract new passengers through service improvements.[8] In creating Amtrak, Congress removed a financial burden from private railroad companies and committed the government to a specific program of promoting rail travel.

Amtrak is a federally-funded corporation that operates on a for-profit basis—that is, it does not represent federal ownership of a passenger railroad. Legally, Amtrak is a private corporation, since all of its common stock is owned by four private railroad companies. In practice, however, it functions as a government corporation. The President appoints a majority of the Board of Directors, and Amtrak must regularly report to the Congress on its operational and financial progress.* The government exercises corporate control because of its financial support of Amtrak, whose operating deficits are covered by federal operating grants; the government, moreover, lends its credit to Amtrak borrowings. Amtrak will retain its character as a government agency until it becomes financially self-sufficient.

Amtrak does not directly operate a passenger railroad, except along the Boston to Washington passenger route, but rather it contracts for passenger train service from private railroad operators. The quasi-government agency does own the locomotives and passenger cars. Also, the more than 8,000 Amtrak employees operate a national ticket and reservation system, provide on-board train service, and perform some train repairs and maintenance. Private railroad companies provide train crews, railroad track and maintenance for the Amtrak-owned equipment. Contracts stipulate the services to be provided by private railroads as well as Amtrak's payments for passenger train operations. Amtrak incurs operating deficits whenever passenger revenues fail to cover the cost of contracted service.

The Amtrak strategy to revitalize passenger service is based upon the purchase of modern rail equipment to provide a comfortable transportation service at greater speeds. While Amtrak has improved the comfort of rail travel, expanded train service, and achieved better on-time performance, a dramatic increase in ridership has not been forthcoming (see Table RR-XIX). The 17.4 million passengers carried in 1975 represents a 9% increase from 1972 but is down from the 1974 level.

At the same time, Amtrak does not appear closer to operating on a for-profit basis. During its first four years, Amtrak has accumulated operating losses totalling more than one billion dollars. At present, the Corporation is averaging a yearly deficit of $300 million.[9] However, a judgement of Amtrak's financial performance must take into account its relatively brief history and the Corporation's special service obligations. A significant part of Amtrak's operating deficit, for example, results from rural and overnight train operations conducted for social reasons.

The benefits of modern rail transport are expected to be realized in the federally-funded Amtrak project to upgrade service along the Boston to Washington passenger route, also known as the Northeast Corridor. The reorganization of the bankrupt northeast rail carriers into ConRail has given Amtrak the opportunity to directly operate a passenger railroad. Purchasing the track and roadbed from ConRail, Amtrak will use more than $1.6 billion to renovate track and purchase rail equipment so that train speeds exceeding 100 miles per hour can become a reality. With one of the major impediments to service improvements under its control (40% of Amtrak's reported train delays were attributed to poor track conditions), Amtrak's Northeast Corridor service is expected to attain average speeds of 75 miles per hour. At these speeds, Amtrak trains would offer city-to-city travel with transit time nearly equal to air service.

The greatest promise of the Northeast Corridor Project is its potential contribution to increase Amtrak patronage. Currently almost half of the system's passengers ride Amtrak trains between Washington and New York. Increased service reliability and reduced travel time should enable Amtrak to increase its share of this traffic, turning the Northeast Corridor trains into a profitable operation. Presently, Amtrak's Metroliner trains (a special service between Washington, D.C. and New York) have passenger revenues which come within 10% of its costs. If the new train service proves to attract more customers, the Northeast Corridor trains could be generating operating surpluses.

Other intercity passenger routes also generate dense traffic flows over medium-length distances (e.g., Chicago to Milwaukee, San Diego to Los Angeles, etc.). Extension of high-speed passenger train service into other regions will require substantial expenditures for new equipment and track renovation. If other corridor projects are to be implemented in the near future, federal financing will be necessary. Hence, expansion of high-speed passenger service on a national basis will depend upon substantially increasing the federal government's commitment to Amtrak.

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* Amtrak is a Class I railroad company and is therefore subject to ICC regulation.

The federal government continues to be the decisive force in the creation of a viable rail passenger system. Thus the future of rail travel will largely be a function of political attitudes on energy consumption, the environment and the government's role in providing transportation services.

C. Northeast Rail Reorganization: ConRail

1. Financial Failure

The financial troubles of the railroad industry hit hardest those carriers operating in the northeast region. In 1970 four eastern railroads declared bankruptcy, including the PENN CENTRAL, the largest railroad in the United States. Subsequently, four more carriers failed, so that by 1972 28,000 miles of track, representing more than 10% of the national system, were operated by bankrupt carriers. The spread of financial failure in the region became the industry's most serious problem since the Great Depression.

Traditionally, railroad bankruptcies are settled according to the Federal Bankruptcy Act (Section 77). The distinguishing feature of this law is that vital rail services may not be disrupted because of bankruptcy. Specifically, creditors are prevented from seizing property to settle unpaid claims. Essentially, the process provides for a debt restructuring, with creditors typically accepting new stock and debt issues in exchange for unpaid interest and principal. When the reorganization plan is approved by a majority of security holders, the railroad emerges from bankruptcy.

However, the northeast bankruptcies were not solvable through such traditional debt restructuring. A large proportion of the debt, in the form of equipment obligations, could not be refinanced (see Section II-F). Holders of funded debt, moreover, could not agree upon a satisfactory reorganization plan. It did not appear that creditors' claims could be satisfied through new securities issues or an extension of debt repayment period. In general, the financial community did not believe that the situation of the eastern railroads could be reversed without some form of government assistance.

After three years of reorganization hearings, the railroad bankruptcies seemed no closer to settlement. Even with the suspension of debt payments, the bankrupt companies could not meet immediate operating expenses, and a move to liquidate the railroad estates now seemed possible. The federal government therefore intervened to prevent the probable disruption of vital rail service in the industrial northeast.

2. Federal Intervention

The Regional Rail Reorganization Act of 1973 prescribed federal intervention in the northeast rail bankruptcies. The government committed itself to the creation of a financially self-sustaining rail system capable of providing adequate and efficient service throughout the region. A government agency, the United States Railway Association (USRA), was formed to restructure the northeast rail industry and provide federal funds to rehabilitate and modernize the deteriorating rail network.

To reorganize the industry, the USRA designated certain rail properties of the bankrupt estates to be transferred to other interests. Profitable railroads, Amtrak, and state, regional, and local authorities were given an opportunity to acquire sections of the bankrupt system. A new company, Consolidated Rail Corporation (ConRail), was specifically created to receive and operate rail property assigned to it by the USRA Plan. The rail properties to be affected by the government-assisted reorganization included those of the Ann Arbor, Erie Lackawanna, Lehigh Valley, PENN CENTRAL, Lehigh and Hudson, READING, and Central of New Jersey.[10]

When the USRA Plan was implemented (with passage of the Railroad Revitalization and Regulatory Reform Act of 1976), most of the rail properties were transferred to ConRail. The State of Michigan purchased the Ann Arbor Railroad and Amtrak acquired the Boston to Washington passenger corridor. However, few profitable railroad companies sought acquisition of substantial sections of the bankrupt system.[11] Representing a merger of six bankrupt railroads, ConRail began operations on April 1, 1976.

3. Capital Structure

ConRail was created to avoid a rail nationalization and is organized as a privately-owned for-profit corporation. The major task confronting the new corporation is the modernization of its aging rail facilities. Its success largely depends on recording significant operating efficiencies and achieving marked service improvements within five years. During its early years, ConRail will rely upon the federal government for most of its financing. According to USRA projections, by 1980, ConRail will generate an increasingly larger positive cash flow, if it achieves the level of savings and revenue growth contained in the government forecast.[12]

The Railroad Revitalization and Regulatory Reform Act authorized the USRA to invest up to $2.1 billion in ConRail securities. Acting as the government's banker, the USRA will monitor ConRail finances, appoint a majority of the Directors and report to government agencies on ConRail progress. Representing a purchase of ConRail debentures and series A preferred stock, the government investment carries liberal repayment terms. So that money can be immediately applied to capital expenditures and initial operating deficits, interest and dividends will be paid on a cash-available basis. Both securities have a rate of return of 7.5%, considerably below that required by private investors. As security for its billion-dollar investment, the government will exercise effective corporate control until its investment is substantially repaid (see Table RR-XX).

In devising ConRail's capital structure, the USRA Plan provides for private ownership. As part of the compensation package for property transferred to the Corporation, the bankrupt railroad estates, and ultimately their creditors, received ConRail securities. While private interests hold preferred and common stock issues representing ultimate ConRail ownership, their securities are subordinate to government-held issues. If the government reorganization is successful, future ConRail benefits and control will pass to the private investors. Until that time, payments on privately-held securities and major executive decisions will be subject to government approval.

4. Legal Dispute

ConRail received the property of the bankrupt rail estates free and clear of mortgages and liens.* The trustees of the bankrupt estates and, in turn, their creditors, received ConRail securities as compensation for property transferred. Since the value of these securities is uncertain, the USRA issued certificates-of-value as part of the estates' compensation. These certificates are government guaranteed obligations to pay any difference between the value of transferred property and the value of ConRail securities distributed to the rail estates. However, the value of rail property, and hence the government's maximum liability, was not stipulated by Congress in legislating the reorganization. Consequently, the USRA and the railroad estates are engaged in a major legal dispute to determine the government's liability in reorganizing the northeast railroads.

All parties to the dispute are presenting their arguments before a special three-judge federal district court. The first matter to be resolved is selection of a valuation method to determine the property's worth. The various proposed methods yield substantially different estimates. The USRA arrived at a $685 million figure based upon an estimate of what the railroad property would bring if dismantled and sold at auction (net liquidation value). On the other hand, the railroad estates claim that the transferred property is worth between $4 and $10 billion. The lower estimate is based on the market price of the property if sold to a profitable railroad, the higher figure is calculated according to the cost of rebuilding the railroad at current prices. After the Court selects a method that is "fair and equitable," in the "public interest," and at a "constitutional minimum," a team of investigators will inspect all the properties and catalogue values for them.[13]

The government's maximum liability as represented in the certificates-of-value is not necessarily equal to the Court-determined valuation of rail property. The Court will decide if the railroad estates suffered "compensable unconstitutional erosion" arising out of the government's intervention in the bankruptcy proceedings.[14] If additional compensation is warranted, this amount will be included in the certificates.

More than a hundred lawyers are involved in the case representing the USRA, the seven bankrupt estates and their creditors. After the valuation and distribution of ConRail securities and USRA certificates to the bankrupt estates, an equitable distribution among the various creditors must also be worked out. Given the inevitable appeal to the Supreme Court and a possible appearance before the Court of Claims, a settlement will require at least five and possibly ten years.

The ConRail legal dispute will receive the careful attention of the financial community and government representatives. The major issue is a determination of the government's financial responsibility to private creditors when it intervenes in such reorganization proceedings. If creditors receive a higher settlement because of federa intervention, in future cases the government may consider nationalization. On the other hand, a lower settlement may affect the flow of private capital into certain regulated industries.

D. Revitalization and Rationalization: Department of Transportation

While implementing the northeast rail reorganization in 1976, Congress also acted to prevent a decline in rail service within other regions. Only a handful of companies earn a return on investment large enough to attract sufficient private financing. Therefore, some roads have not been able to maintain or modernize their rail property. Unnecessary duplication of facilities and excess capacity further diminish the industry's financial strength. In order to revitalize and rationalize the national rail network, the Department of Transportation (DOT) is authorized to provide federal financing of plant rehabilitation and to develop plans for promoting rail consolidations.

By 1977, the Secretary of Transportation will submit a final report to Congress detailing the physical condition of the U.S. rail network and finances required to maintain essential facilities. The report will identify the vital core of the present network based upon criteria of traffic density, profitability, and local alternatives to rail transport (Traffic Density Analysis). Congress will also receive an estimate of expenditures deferred because of inadequate finances and a projection of the industry's capital needs from 1976 to 1985 (Capital Needs Study). These two studies will form the basis for distributing federal rail assistance and planning rail consolidations.

With more than $1.6 billion available for rail improvements, the federal government will become a major source of rail capital. Railroad companies will apply to the DOT in order to receive government assistance. To be eligible, the companies will be required to show that the money will be used for necessary maintenance work, equipment purchases or other capital improvements that cannot be privately financed.[15] If the DOT approves the proposed project, the aid will be offered either in the form of a government purchase of a special stock issue or as a federal guarantee attached to the company's private borrowing.

Government aid is offered on liberal terms so that the money can be immediately applied to the project. For financially weaker railroads, the DOT will purchase redeemable preferred stock issued to it by the company. As an equity investment, the government assistance will not add to the company's debt burden. Dividend payments do not begin until the tenth year after the issue, and the company can take up to 30 years to repay the investment. In other cases, the government will lend its credit to private borrowing of the eligible railroad company. With a federal obligation to fully repay the private loan in the event of a default, the company can borrow money at reduced interest rates.

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* ConRail did assume equipment obligations and some additional agreements attached to the property of the bankrupt estates.

Unlike government support of Amtrak and ConRail, rail improvement aid does not require federal involvement in corporate management. As protection for its investment, the DOT requires that a company agree to certain restrictions concerning dividend payments and use of assets or revenues for non-rail purposes. In the event of a default on the preferred stock or guaranteed obligation, the Secretary of Transportation has the right to appoint representatives to a company's Board of Directors.

Rationalization of the U.S. railroad system has been an objective of government rail policy for more than 50 years. Essentially, this has meant the promotion of rail consolidations to eliminate duplication of facilities and to achieve efficiencies based on large-scale operations. While previous attempts to coordinate rail consolidations have not succeeded, the recently authorized involvement of the Department of Transportation is expected to result in a substantially restructured industry.

As early as 1920, the government attempted to coordinate rail consolidations when it directed the ICC to create a plan that would reduce the number of companies. The government plan sought to create approximately 20 railroad systems of comparable strength. This balanced route approach meant proposing combinations of weak and strong lines—something stockholders of stronger railroads would not approve. None of the proposed consolidations were realized, and by 1940 ICC approval of merger applications no longer had to conform to an overall plan.

At the close of the 1950's, the industry went through a period of active consolidations. Between 1957 and 1974, the ICC received 142 rail unification proposals, a majority of which were eventually approved.[16] The number of companies was reduced and several large carrier systems were born, including: BURLINGTON NORTHERN, NORFOLK AND WESTERN, CHESSIE, and PENN CENTRAL.

The bankruptcy of the PENN CENTRAL illustrated the problem with the government's ad hoc approach to rail mergers. In part, the consolidation of the Pennsylvania and New York Central railroads was a defensive response to previous regional consolidations. The mergers and acquisitions that produced the NORFOLK AND WESTERN led to Chesapeake and Ohio's acquisition of the Baltimore and Ohio. Both of these combinations produced strong roads with access to coal traffic, the most important revenue source for the region. As a merger of two weaker roads, the PENN CENTRAL failed in less than three years.

Because of the Railroad Revitalization and Regulatory Reform Act, the Department of Transportation will become involved in coordinating rail mergers. In its study of the U.S. rail system, the Department will also investigate the restructuring of the industry, including possible recommendation of consolidations. The Act also provides for DOT involvement in ICC review of merger proposals. Railroad companies can now approach the Department with their proposals; if approved, the application is forwarded to the ICC, and the Commission must then make a decision within two years.* Finally, the Department may use its control over the $1.6 billion rail aid fund to stimulate mergers that conform to its plan.

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* The time limit for Commission decisions is designed to avoid lengthy regulatory proceedings which tend to discourage consolidations.

NOTES

1. Task Force on Railroad Productivity, *Improving Railroad Productivity,* p. 232.

2. Calculated by combining the operating revenues of commonly-owned operators and then selecting the three largest railroad systems within each ICC Railroad District. Revenues taken from Interstate Commerce Commission, Bureau of Accounts, *Statement No. 10, 1974.*

3. Coal-slurry pipelines—where coal particles are suspended in water for pipeline transport—represent a potentially formidable competitor for western coal traffic. Since these pipelines consume enormous quantities of water, they must first overcome opposition from environmentalists and farmers before construction can be undertaken on a large scale.

4. U.S. Department of Labor, Bureau of Labor Statistics, *Handbook of Labor Statistics, 1975—Reference Edition,* Washington, DC: U.S. Government Printing Office, Tables 85 and 87, pp. 187 and 199.

5. Interstate Commerce Commission, Bureau of Economics, *Transport Economics,* Volume III, No. 3 (1976), p. 4. Total revenues for Class I railroads from piggyback freight terminated was $994.5 million.

6. Testimony of John Ingraham, Vice-President, First National City Bank, in *Railroad Revitalization,* Hearings before the Subcommittee on Transportation and Commerce, Committee on Interstate and Foreign Commerce, U.S. House of Representatives, p. 637.

7. For example, ICC hearings on the proposed acquisition of the CHICAGO ROCK ISLAND AND PACIFIC RAILROAD CO were extended for more than 10 years because of proposals, counter-proposals and objections filed by numerous railroad companies.

8. Association of American Railroads, *Yearbook of Railroad Facts: 1975 Edition,* p. 21.

9. National Railroad Passenger Corporation, *Amtrak Annual Report 1975,* p. 21. In 1975, Amtrak had operating losses of $325.5 million before operating grants; by year's end Amtrak had accumulated total operating losses of $1.026 billion before federal operating grants. Ibid.

10. Also affected by the Plan were another 100 companies controlled, through a variety of relationships, by the primary seven. A handful of the region's bankrupt carriers were not included in the USRA Plan since a settlement under traditional bankruptcy law seemed possible (e.g., Boston and Maine).

11. One eastern carrier, CHESSIE SYSTEM, and a southern road, SOUTHERN RAILWAY, expressed interest in the purchase of 2,500 miles of track. However, these acquisitions did not materialize when the companies and unions could not agree on contract terms or work rules for transferred workers.

12. Some of the more important elements of this projection include: elimination of unprofitable freight and passenger lines; improved train scheduling; and development of a more flexible and reliable service capable of attracting new traffic. See United States Railway Association, *Final System Plan,* Vol. I, pp. 47-68.

13. *Regional Rail Reorganization Act of 1973,* Public Law 93-236, Section 303 (c).

14. At year's end 1975, trustees of the Penn Central Transportation Co were seeking permission to sue the federal government for $1 billion in damages allegedly resulting from the government's intervention in the reorganization.

15. No more than $250 million of the authorized $1.6 billion may be used to purchase securities of bankrupt railroads or to guarantee Amtrak loans to finance the Northeast Corridor acquisition.

16. Testimony of George Stafford, Chairman, Interstate Commerce Commission, in *Railroad Revitalization,* Hearings before the Subcommittee on Transportation and Commerce, Committee on Interstate and Foreign Commerce, U.S. House of Representatives, p. 238.

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TABLE RR-I. Relative Importance of Class I and Class II Railroads, 1973

	Class I	Class II
Companies:		
Number	70	260
Percent of Total	21.21%	78.79%
Track:		
Miles Operated	207,649	8,868
Percent of Total	95.90%	4.10%
Employees:		
Number	524,422	9,344
Percent of Total	98.25%	1.75%
Freight Ton-Miles:[1]		
Number (in thousands)	851,808,610	6,147,650
Percent of Total	99.28%	.72%
Operating Revenues:		
Amount (in thousands)	$14,989,573	$254,222
Percent of Total	98.33%	1.67%

1. Number of tons carried one mile.

NOTE: Switching and terminal companies are excluded.

SOURCE: Interstate Commerce Commission, *Transport Statistics, 1973,* Part 1, p. 50.

TABLE RR-II. Number of Railroad Companies, 1900-1973

Year	Total Number of Companies	COMPANIES OPERATING AT LEAST 1,000 MILES OF TRACK		
		Number	Percent of Total Miles	Percent of Total Revenues
1900	1,224	48	NA	NA
1910	1,306	54	69.68%	75.61%
1920	1,085	55	73.00	81.80
1930	775	54	79.79	84.63
1940	574	45	81.78	84.32
1950	471	43	83.81	86.44
1955	441	43	84.26	86.21
1960	407	39	85.98	87.44
1965	372	36	86.49	88.60
1970	351	30	90.31	89.44
1971	341	30	88.04	88.96
1972	332	29	88.32	87.24
1973	331	29	88.32	88.52

NOTE: Includes Class I, Class II, and unofficial companies; terminal and switching companies are not included after 1964.

SOURCE: Interstate Commerce Commission, *Transport Statistics, 1973,* Part 1, p. 45.

TABLE RR-III. Market Share Concentration Calculated By Combining Operating Revenues of Commonly-Owned Class I Railroads, 1974

ULTIMATE PARENT/ Operating Subsidiary	Combined Revenues	Cumulative Percent of Total
1. PENN CENTRAL CO	$2,447,489	14.21%
Ann Arbor Railroad Co		
Detroit Toledo and Ironton RR Co		
Lehigh Valley Railroad Co		
Monongahela Railway Co		
Penn Central Transportation Co		
Pittsburgh and Lake Erie Railroad Co		
Pennsylvania-Reading Seashore Lines		
2. SOUTHERN PACIFIC CO	1,519,869	23.03
Northwestern Pacific Railroad Co		
St Louis-Southwestern Railway Co		
Southern Pacific Transportation Co		
3. NORFOLK AND WESTERN RY CO[1]	1,377,405	31.02
Akron Canton and Youngstown RR Co		
Delaware and Hudson Railway Co		
Detroit Toledo Shore Line Railroad Co		
Erie Lackawanna Railway Co		
4. BURLINGTON NORTHERN INC[1]	1,368,368	38.96
Colorado and Southern Railway Co		
Fort Worth and Denver Railway Co		
Oregon Electric Railway Co		
5. SEABOARD COAST LINE INDUSTRIES INC	1,359,739	46.86
Atlanta and West Point Railroad Co		
Clinchfield Railroad Co		
Georgia Lessee Corp		
Louisville and Nashville Railroad Co		
Seaboard Coast Line Railroad Co		
6. CHESSIE SYSTEM INC	$1,291,378	54.35%
Baltimore and Ohio Railroad Co		
Chesapeake and Ohio Railway Co		
Western Maryland Railway Co		
7. SANTA FE INDUSTRIES INC	1,071,993	60.58
Atchison Topeka and Santa Fe Ry Co		
8. UNION PACIFIC CORP	995,604	66.35
Spokane International Railroad Co		
Union Pacific Railroad Co		
9. SOUTHERN RAILWAY CO	909,325	71.63
10. MISSISSIPPI RIVER CORP	844,743	76.53
Chicago and Eastern Illinois RR Co		
Missouri-Illinois Railroad Co		
Missouri Pacific Railroad Co		
Texas and Pacific Railway Co		
11. IC INDUSTRIES INC	577,843	79.89
Illinois-Central Gulf Railroad Co		
12. CHICAGO AND NORTH WESTERN TRANSPORTATION CO	484,957	82.70

1. Company is both a parent and operating railroad.

NOTE: Parents are identified for those railroads that reported to the ICC as Class I railroads as of December 31, 1974.

SOURCE: Interstate Commerce Commission, *Statement No. 100, 1974*; R-1 Annual Reports filed with the ICC for year's end 1974.

TABLE RR-IV. Relative Importance of Non-Transportation Activity for Select Diversified Railroad Companies, 1974

Company	Percent of 1974 Revenues	Percent of 1974 Income[1]
BURLINGTON NORTHERN INC	7.7%	38.0%
CANADIAN NATIONAL RAILWAY CO	NA	59.1
CANADIAN PACIFIC LTD	52.1	69.5
CHICAGO MILWAUKEE CORP	13.8	63.9
IC INDUSTRIES INC	58.4	81.6
KANSAS CITY SOUTHERN INDUSTRIES INC	19.6	70.5
MISSISSIPPI RIVER CORP	18.4	19.1
RIO GRANDE INDUSTRIES INC	10.3	(11)
SANTA FE INDUSTRIES INC	20.5	55.1
SEABOARD COAST LINE INDUSTRIES INC	4.5	11.5
UNION PACIFIC CORP	37.5	9.6

1. Income may be operating, net, pretax, etc. Refer to CDE Corporate Profile for type of income used by each company.

NOTE: To be listed, companies were required to have had at least 20% of their revenues or 10% of their income derived from non-transportation sources.

SOURCE: CDE Corporate Profiles.

TABLE RR-V. Relative Importance of Select Commodity Groups to Class I Railroad Tonnage and Gross Revenues, 1974

Commodity Group	Freight Tons	Percent of Total	Gross Freight Revenues	Percent of Total
Coal	390,871	25.54%	$1,848,352	11.29%
Non-Metallic Minerals, Except Fuels	171,026	11.17	603,934	3.69
Farm Products	142,160	9.29	1,510,580	9.22
Metallic Ores	126,515	8.27	494,207	3.02
Food and Kindred Products	107,304	7.01	1,776,197	10.84
Lumber and Wood Products, Except Furniture	105,325	6.88	1,131,607	6.91
Chemicals and Allied Products	101,428	6.63	1,739,197	10.62
Primary Metal Products	70,319	4.59	1,027,116	6.27
Stone, Clay and Glass Products	67,971	4.44	705,142	4.31
Petroleum and Coal Products	53,024	3.46	599,790	3.66
Pulp, Paper and Allied Products	48,169	3.15	1,058,372	6.27
Waste and Scrap Materials	48,138	3.14	409,284	2.50
Transportation Equipment	29,824	1.95	1,270,679	7.76
Select Commodity Group	1,462,074	95.52%	$14,174,457	86.55%

NOTE: Revenues and tonnage figures are in thousands. Commodity groups are taken from 2-digit level of commodity classification used by the ICC. Tonnage figures are only for originated traffic as reported by each individual company.

SOURCE: Interstate Commerce Commission, *Freight Commodity Statistics, 1974*.

TABLE RR-VI. Commodities of Manufacturing with Primary Means of Transport by Rail, 1972

Commodity Group	Total Intercity Ton-Miles	Percent Carried by Rail
Canned and Frozen Foods, Except Meat and Dairy Products	62,726	66.8%
Basic Chemicals, Plastic Materials, Synthetic Resins, Rubber, and Fibers	47,821	63.1
Lumber and Wood Products, Except Furniture	44,179	76.8
Paper and Allied Products	40,179	73.8
Primary Iron and Steel Products	38,953	51.6
Motor Vehicles and Motor Vehicle Equipment	30,263	80.9
Drugs, Paints, and Other Chemical Products	22,580	44.3
Primary Non-Ferrous Metal Products	16,414	67.2
Metal Cans and Miscellaneous Fabricated Metal Products	8,801	50.5
Total	631,058	42.0%

NOTE: Ton-miles in billions. Based on a commodity transport survey of manufacturing establishments with 20 or more employees. Means of transport include: railroads, motor carriers, private trucks, airlines, and water carriers.

SOURCE: U.S. Department of Commerce, Bureau of the Census, *1972 Census of Transportation: Commodity Transport Survey, Shipper Groups*, pp. 9-10.

TABLE RR-VII. Five Most Important Commodity Groups' Contribution to Class I Freight Revenues According to ICC Regional District, 1974

Commodity Group (Primary Subcategory)	Gross Freight Revenues	Percent of Total District Revenues
EASTERN DISTRICT		
Coal (Bituminous Coal and Lignite)	$1,155,494	20.84%
Transportation Equipment (Motor Vehicles)	595,727	10.74
Food and Kindred Products (Grain Mill Products)	489,025	8.82
Primary Metal Products (Steel Works and Rolling Mill Products)	470,474	8.48
Chemicals and Allied Products (Industrial, Inorganic and Organic Chemicals)	434,870	7.84
Select Eastern Group Total	$3,145,590	56.72%
SOUTHERN DISTRICT		
Chemicals and Allied Products (Industrial, Inorganic and Organic Chemicals)	$ 401,278	14.06%
Coal (Bituminous Coal and Lignite)	365,812	12.82
Food and Kindred Products (Miscellaneous Food Preparation and Kindred Products)	276,007	9.67
Pulp, Paper and Allied Products (Paperboard, Pulpboard and Fiberboard)	269,323	9.44
Lumber and Wood Products (Lumber and Dimension Stock)	221,433	7.76
Select Southern Group Total	$1,533,853	53.75%
WESTERN DISTRICT		
Farm Products (Field Crops)	$1,168,085	14.64%
Food and Kindred Products (Grain Mill Products)	1,010,976	12.67
Chemicals and Allied Products (Industrial, Inorganic and Organic Chemicals)	903,050	11.32
Lumber and Wood Products (Lumber and Dimension Stock)	756,277	9.48
Transportation Equipment (Motor Vehicles)	527,112	6.61
Select Western Group Total	$4,365,500	54.72%

NOTE Revenues in thousands Commodity groups are based on ICC 2-digit classifications and primary subcategories are based on ICC 3-digit classifications

SOURCE Interstate Commerce Commission, *Freight Commodity Statistics, 1974*

TABLE RR-VIII. Percent of Total Intercity Ton-Miles Transported by Rail, 1950-1973

Year	Total Intercity	Railroad	Railroad Percent of Total[1]
1950	1,094	628	57.44%
1955	1,298	655	50.43
1960	1,330	595	44.73
1965	1,651	721	43.67
1970	1,936	771	39.83
1971	1,953	746	38.19
1972	2,071	783	37.80
1973	2,231	858	38.44

1. Percent calculated before rounding figures.

NOTE: Ton-miles in billions. Intercity total includes the domestic freight carried by railroad, inland water carrier, oil pipeline, motor carrier, and airline.

SOURCE: U.S. Department of Commerce, Bureau of the Census, *1975 Statistical Abstract*, Table 936, p. 562.

TABLE RR-IX. Railroad Percent of Regulated Domestic Freight Revenues, 1950-1973

Year	Total Regulated	Railroad	Railroad Percent of Total
1950	$12,457,590	$ 7,933,800	63.69%
1955	15,544,129	8,884,237	57.15
1960	16,893,311	8,389,919	49.66
1965	20,969,373	9,287,689	44.29
1970	28,237,938	11,371,563	40.27
1971	31,287,977	12,200,000	38.99
1972e	34,715,000	13,500,000	38.89
1973e	37,943,000	14,222,600	37.48

NOTE: Revenues in thousands. Includes domestic freight revenues of regulated railroads, water carriers, oil pipelines, airlines, and water carriers.

SOURCE: American Trucking Association, *American Trucking Trends, 1974*, p. 9.

TABLE RR-X. Select Rail Passenger Traffic Statistics, 1900-1973

Year	Passengers Carried	Passenger-Miles[1]	Passenger Revenues	Passenger Percent of Total Revenues
1900	576,831	16,038,076	$ 323,716	23.58%
1910	971,683	32,338,496	628,992	24.62
1920	1,269,913	47,369,906	1,304,815	22.79
1930	707,987	26,875,642	730,766	14.99
1940	456,088	23,815,598	417,955	10.44
1950	488,019	31,790,470	814,741	9.31
1955	433,308	28,547,877	743,688	7.90
1960	327,172	21,284,084	641,496	7.30
1965	305,822	17,453,919	555,986	5.80
1970	289,469	10,785,746	423,191	3.66
1971	275,534	8,862,819	384,116	3.10
1972	262,010	8,571,552	408,863	3.10
1973	255,444	9,308,187	444,412	3.08

1. Number of passengers carried one mile.

NOTE: Figures for passengers carried, passenger-miles, and passenger revenues are in thousands.

SOURCE: Interstate Commerce Commission, *Transport Statistics, 1973*, pp. 48-49.

TABLE RR-XI. Railroad Labor: Employment, Compensation, and Percent of Total Revenues, 1900-1973

Year	Number of Employees	Compensation	Compensation Percent of Revenues
1900	1,018	$ 577,265	38.82%
1910	1,699	1,143,725	40.67
1920	2,076	3,754,281	59.50
1930	1,517	2,588,598	48.33
1940	1,046	1,990,631	45.71
1950	1,237	4,644,890	48.45
1955	1,071	5,045,278	49.32
1960	793	4,956,902	51.41
1965	655	4,886,740	46.87
1970	577	5,646,481	46.25
1971	555	5,990,314	46.02
1972	537	6,530,643	47.25
1973	533	7,293,747	47.85

NOTE: Figures for number of employees and compensation in thousands. Includes Class I and Class II railroads.

SOURCE: Interstate Commerce Commission, *Transport Statistics, 1973*, Part 1, pp. 48-49.

TABLE RR-XII. Piggyback Carloading: Percent of Total Class I Freight Cars Loaded, 1955-1974

Year	Total Freight Cars Loaded	Piggyback Cars Loaded	Piggyback Percent of Total
1955	37,636	168	.45%
1960	30,441	554	1.82
1965	29,248	1,034	3.54
1970	27,160	1,257	4.63
1971	25,266	1,199	4.75
1972	26,105	1,331	5.10
1973	27,338	1,543	5.64
1974	26,424	1,505	5.70

SOURCE: U.S. Department of Commerce, Bureau of the Census, *Statistical Abstract of the United States, 1975*, Washington, DC: U.S. Government Printing Office, Table 982, p. 584.

TABLE RR-XIII. Rate of Return for Class I Railroads and Select Industries, 1974

Industry	Rate of Return
Class I Railroads	4.3%
Total Transportation Industry	5.8
Public Utilities	10.4
Trade	13.4
Manufacturing	15.4
Mining	25.9

SOURCE: Testimony of John Ingraham, Vice-President, First National City Bank, in *Railroad Revitalization*, Hearings before the Subcommittee on Transportation and Commerce, Committee on Interstate and Foreign Commerce, U.S. House of Representatives, p. 634.

TABLE RR-XIV. Class I Railroad Funds Generated by External Sources, 1956-1970

Year	Equipment Debt	Funded Debt	Sales of Equity	Total
1956	$ 439.1	$ 159.9	$ 12.2	$ 611.2
1957	627.1	45.6	11.3	684.0
1958	286.7	214.8	13.3	514.8
1959	196.5	153.1	9.5	359.1
1960	312.6	137.3	8.1	458.0
1961	224.2	126.3	30.4	380.9
1962	313.1	59.8	8.8	381.7
1963	448.8	166.8	18.2	633.8
1964	749.8	184.5	39.9	974.2
1965	799.1	151.4	75.9	1,026.4
1966	1,136.3	50.4	36.9	1,223.6
1967	755.2	100.4	49.9	905.5
1968	554.8	369.8	107.4	1,032.0
1969	630.4	512.6	40.1	1,183.1
1970	676.1	333.0	66.7	1,075.8
Total	$8,149.8	$2,765.7	$528.6	$11,444.1

NOTE: Figures in millions.

SOURCE: Task Force on Railroad Productivity, *Improving Railroad Productivity*, p. 109. Table reproduced from verified statement of Dr. Robert A. Nelson before the Interstate Commerce Commission in hearings on Ex Parte no. 271, pp. 54-55.

TABLE RR-XV. Class I and Class II Railroad Capitalization Outstanding, 1950-1973

Year	Common Stock	Preferred Stock	Funded Debt[1]	Total Capitalization	Debt Percent of Total
1950	$7,207	$1,977	$9,090	$18,274	49.74%
1955	7,341	1,310	8,771	17,422	50.34
1960	6,185	1,218	8,731	16,134	54.12
1965	5,580	1,116	8,161	14,857	54.93
1970	5,605	718	8,016	14,339	55.90
1971	5,656	728	7,204	13,588	53.02
1972	5,285	620	7,063	12,968	54.46
1973	5,301	593	7,198	13,092	54.98

1. Matured debt, including equipment obligations.

NOTE: Figures in millions.

SOURCE: Interstate Commerce Commission, *Transport Statistics, 1973*, Part 1, pp. 46-47.

TABLE RR-XVI. Class I and Class II Railroad Income and Interest on Debt, 1950-1973

Year	Net Railway Operating Income	Non-Operating Income	Interest on Funded Debt
1950	$1,055,309	$327,858	$367,218
1955	1,144,347	272,553	373,502
1960	594,618	357,509	386,774
1965	980,066	403,432	402,889
1970	505,669	516,975	553,763
1971	629,365	523,359	575,474
1972	705,029	463,579	578,391
1973	725,047	541,791	604,806

NOTE: Figures in thousands.

SOURCES: Interstate Commerce Commission, *Transport Statistics, 1973*, Part 1, p. 47.

TABLE RR-XVII. Class I Railroad Rate of Return, 1947-1974

Year	United States	Eastern District	Southern District	Western District
1947	3.44%	3.02%	3.52%	3.84%
1951	3.76	3.47	4.74	3.76
1955	4.22	4.19	5.45	3.86
1960	2.13	1.55	2.97	2.40
1965	3.69	3.32	4.16	3.87
1970	1.73	def.	4.50	3.02
1971	2.47	def.	4.93	3.90
1972	2.96	0.37	5.32	4.24
1973	3.05	0.48	5.46	4.22
1974	3.45	1.12	5.70	4.40

NOTE: Rate of return is net railway operating income divided by net investment in transportation property.

SOURCE: Association of American Railroads, *Yearbook of Railroad Facts: 1975 Edition*, p. 20.

TABLE RR-XVIII. Chronology of Government Involvement in Railroad Transportation, 1830-1976

Date	Event	Comment
1830-1840	State and local government action	State and local governments provide financial assistance to early rail lines.
1850	Illinois Central Act	Federal government turns over national lands to states which in turn grant land to railroad companies building lines between Missouri River and Appalachian Mountains.
1864	Pacific Railway Act	Federal assistance to transcontinental rail lines established. Includes large grant of national land, subsidy bonds and loans.
1867-1887	State legislation	Responding to pressure from farmers opposed to rail monopolies, state legislatures establish railroad regulatory commissions.
1887	Interstate Commerce Act	Federal regulation of railroads established superceding state efforts to regulate interstate railroads.
1900-1915	Elkins Act (1903) Hepburn Act (1906) Mann-Elkins Act (1910) Panama Canal Act (1912)	Interstate Commerce Commission becomes an independent administrative tribunal. Given power to regulate rates, require companies to file annual reports and issue binding orders to prevent shipper discrimination. Railroad companies' ownership of competing water carriers prohibited.
1916	Adamson Law	Legislative recognition of railway workers' right to eight hour day.
1917-1920	Federal Railroad Administration	Invoking war emergency powers, federal government assumes control of railroad industry to meet war time transportation needs.
1920	Transportation Act of 1920	Private control of railroad companies resumed. Railroads regulated as public utilities. ICC control over market entries and abandonments. Financial transactions subject to Commission review. ICC instructed to draw up master plan to reduce number of railroad companies through consolidations.
1926-1934	Railway Labor Act (1926) Railway Labor Act (1934)	Establishes federal mechanisms to resolve labor-management disputes. Provides for mediation and arbitration.
1933-1936	Emergency Railroad Transportation Act (1933) Washington Agreement (1936)	Provides measures to protect railway workers from displacement due to railroad consolidations.
1936-1938	Railroad Retirement Act (1936) Railroad Unemployment Insurance Act (1938)	Establishes a system for railroad social security and unemployment insurance.
1940	Transportation Act of 1940	ICC instructed to consider impact of its rate regulation on all modes under its jurisdiction. Abandonment of ICC master plan on mergers.
1948	Reed-Bulwinkle Act	Rate Bureaus exempted from antitrust prosecution.
1958	Transportation Act of 1958	ICC prohibited from holding up rates of one mode to protect another. Extended Commission authority to order abandonment of passenger service. ICC administers government guarantee on loans to finance equipment purchases.
1966	Department of Transportation Act	Created cabinet-level transportation department. DOT coordinates work of several administrative transportation agencies; develops national transportation policy; suggests appropriate level of federal transportation aid; assumes safety regulation and promotes technical research.
1970	Rail Passenger Service Act	Government-supported NATIONAL RAILROAD PASSENGER CORP (Amtrak) created to revitalize passenger service.
1973	Regional Rail Reorganization Act	United States Railway Association created to develop government planned re-organization of bankrupt northeast carriers.
1976	Railroad Revitalization and Regulatory Reform Act	Government-financed ConRail assumes operations of six bankrupt carriers. Department of Transportation administers federal funds to finance equipment purchase and road rehabilitation. Federal subsidies for continuation of unprofitable freight and commuter lines established. ICC rate reform allows greater freedom in rate making.

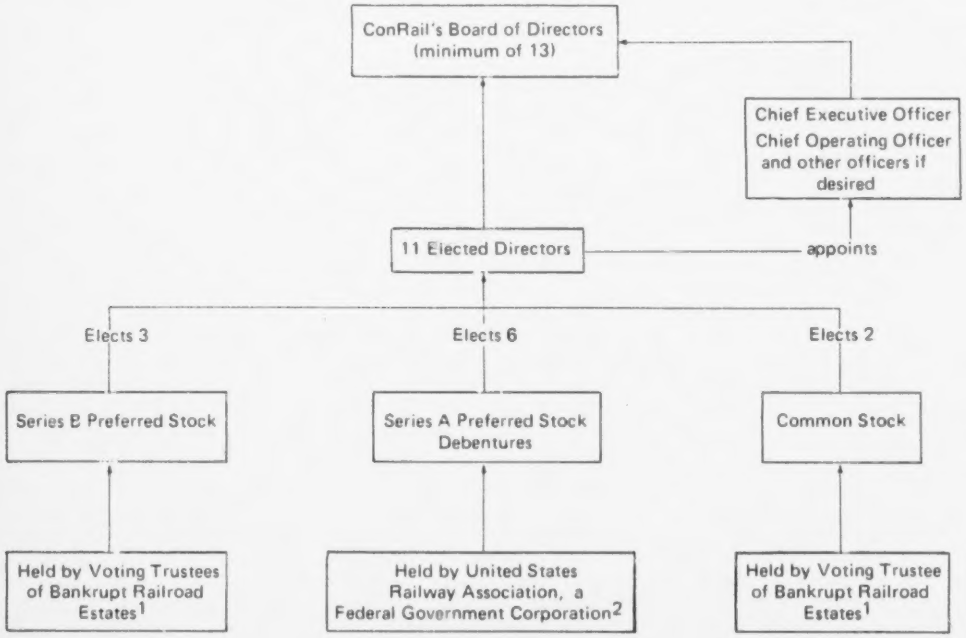
TABLE RR-XIX. Select Statistics of NATIONAL RAILROAD PASSENGER CORP (Amtrak), 1972-1975

	1972	1973	1974	1975
Passengers Carried (millions)	16.6	16.9	18.2	17.4
Passenger-Miles[1] (millions)	3,038	3,806	4,258	3,939
Passenger Cars	1,569	1,717	1,881	1,882
Average Age of Passenger Cars (yrs.)	22.0	23.1	24.3	24.7
New Car Deliveries	0	0	0	115
Locomotives	185	337	442	362
Average Age of Locomotives (yrs.)	23.2	18.7	13.6	14.4
Locomotives Rebuilt	0	15	24	11
New Locomotive Deliveries	0	40	110	30
System Route Miles (thousands)	23	22	24	26
Stations Served	440	451	473	484
Systemwide On-Time Performance	75%	60%	75%	77%
Short Distance On-Time Performance	82%	70%	80%	80%
Long Distance On-Time Performance	53%	30%	63%	72%

[1] Number of passengers carried one mile.

SOURCE: National Railroad Passenger Corporation, *Amtrak Annual Report, 1975,* p. 22.

TABLE RR-XX. Corporate Control of Consolidated Rail Corp (ConRail)


ConRail's Board of Directors (minimum of 13)
Chief Executive Officer Chief Operating Officer and other officers if desired
11 Elected Directors
appoints
Elects 3
Elects 6
Elects 2
Series B Preferred Stock
Series A Preferred Stock Debentures
Common Stock
Held by Voting Trustees of Bankrupt Railroad Estates[1]
Held by United States Railway Association, a Federal Government Corporation[2]
Held by Voting Trustee of Bankrupt Railroad Estates[1]

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[1] Voting trustees are appointed by the Special Federal Court to represent the interests of the railroad estates whose property was transferred to ConRail.

[2] United States Railway Association's representation on ConRail's Board of Directors will decrease as outstanding debentures and government-held preferred stock is retired.

SOURCE: *Railroad Revitalization and Regulatory Reform Act of 1976,* Public Law 94-210, Title VI, Section 611.

Motor Carriers Freight

I. INDUSTRY STRUCTURE

A. Classifications

Intercity trucking is a highly differentiated economic activity that can be divided into two broad classes of carriers: private and for-hire. Private carriers own or lease trucks which are used to transport their own goods. Transportation is not their primary activity and they are prohibited from carrying goods owned by another party. On the other hand, for-hire carriers are enterprises transporting freight owned by a separate party.

For-hire trucking is conducted by common, contract, and exempt carriers (see Table MF-I). Intercity common and contract carriers are subject to the economic regulation of the Interstate Commerce Commission. Common carriers offer their transportation services to the general public. These services may be conducted either along designated routes according to a regular schedule (regular route service) or as non-scheduled operations between designated points or within a specified region (irregular route service). Contract carriers, on the other hand, serve a limited number of shippers under continuing contracts. Both common and contract carriers operate under certificates that either permit them to carry a wide variety of commodities (general freight carrier) or grant them authority to carry certain commodities (specialized carrier) requiring special handling or equipment, such as household goods or hazardous materials.

Exempt carriers either transport special commodities or are engaged in limited operations specifically excluded from ICC regulation. For example, transportation of unprocessed agricultural commodities is exempt.

In this introduction we discuss common and contract carriers subject to ICC regulation (regulated carriers). Such companies account for 42% of the intercity ton-miles transported by all trucks.* The unregulated sector of the trucking industry must largely be excluded from this discussion because information on its operations is not readily available. This is especially true in the case of exempt carriers, which are, for the most part, small operators. On the other hand, private carriers include a number of large truck fleets. Some of these carriers are subsidiaries or divisions of large corporations in the petroleum, manufacturing, and retail industries. For example, Montgomery Ward and Ashland Oil own or lease more than 5,000 trucks to transport their products (see Table MF-II).

B. Transport Geography

The federal-aid highway system forms an extensive transportation grid that interconnects all major centers in the United States. Most motor transit between major centers of economic activity uses the 40,000-mile national system of interstate highways and the 17,000-mile urban highway network. Rural districts and smaller communities are linked to this primary system through more than 600,000 miles of federal-aid secondary roads.

The geographical scope of individual operators is restricted to areas specified in ICC-issued certificates. As a result of consolidations and acquisitions of operating certificates, a few large trucking companies can offer regional or in some cases transcontinental freight service. However, a sizable number of regional and national shipments require the interchange of freight between independent carriers. These interlined shipments comprise approximately 40% of the total number of regulated shipments.

C. Concentration

Traditionally, trucking has been carried out by a large number of small firms. This fragmented corporate structure is a function of the cost characteristics of motor carrier transportation. It is generally recognized that there are no compelling economic reasons for increasing company size such as large fixed investment or economies of scale.[1]

In 1974, there were more than 14,000 regulated motor carriers; 75% had less than $500,000 in annual operating revenues. The four largest operators had 9.80% of the regulated industry revenues and the top eight had 14.33% (see Motor Carrier Operator Chart). When market shares are calculated by combining the revenues of commonly-owned operators, the four largest carrier systems had 11.42% of total revenues and the top eight had 16.47% (see Table MF-III). While regulated motor carrier transportation remains one of the least concentrated industries, a trend indicating growing consolidation is evident.

Between 1950 and 1974 the number of regulated trucking companies dropped from 19,597 to 14,648 (see Table MF-IV). Sources within the industry expect this number to fall to 10,000 in another decade. As the number of firms declined, individual companies have become larger. As a result, the ICC has changed its cri-

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* Ton-miles is the number of tons carried one mile.

CDE Motor Carrier-Freight Operator Chart: Top 50 Ranked by Revenues, 1974

Operator	Ultimate Parent[1]	Carrier Operating Revenues ($000)	Cumulative % of Total[2]	Carrier Assets ($000)	Carrier Debt ($000)	Debt/Asset Ratio	Type of Carrier[3] & Additional Information
1. United Parcel Service Inc (OH)	UNITED PARCEL SERVICE OF AMERICA INC	874,130	3.85	222,296	None	–	CM GF
2. ROADWAY EXPRESS INC	–	504,780	6.07	243,901	None	–	CM GF
3. CONSOLIDATED FREIGHTWAYS INC	–	426,175	7.95	242,365	70,750	29.2	CM GF
4. United Parcel Service Inc (NY)	UNITED PARCEL SERVICE OF AMERICA INC	419,843	9.80	127,924	45,896	35.9	CM GF
5. YELLOW FREIGHT SYSTEM INC	–	351,385	11.35	209,879	56,903	27.1	CM GF
6. MCLEAN TRUCKING CO	–	280,998	12.59	113,687	25,436	22.4	CM GF
7. TIME-DC INC	NATIONAL CITY LINES INC (74.80%)	198,765	13.46	83,871	24,437	29.1	CM GF
8. Ryder Truck Lines Inc	IU INTERNATIONAL CORP*	195,141	14.32	85,229	33,969	39.9	CM GF
9. Pacific Intermountain Express Co	IU INTERNATIONAL CORP*	171,947	15.08	79,006	23,013	29.1	CM GF
10. North American Van Lines Inc	PEPSICO INC*	165,780	15.81	91,722	28,902	31.5	CM HG
11. ALLIED VAN LINES INC	–	158,265	16.51	29,497	6,407	21.7	CM HG
12. Interstate Motor Freight System	FUQUA INDUSTRIES INC	144,298	17.14	66,528	21,109	31.7	CM GF
13. TRANSCON LINES	–	143,386	17.77	80,089	21,106	26.4	CM GF
14. Spector Freight System Inc	SPECTOR INDUSTRIES INC (99.93%)	140,018	18.39	44,459	19,160	43.1	CM GF
15. ASSOCIATED TRANSPORT INC	EASTERN FREIGHT WAYS INC (45.5%)	139,378	19.01	43,307	32,345	74.7	CM GF
16. SMITH'S TRANSFER CORP	–	126,295	19.56	82,806	32,868	39.7	CM GF
17. CHEMICAL LEAMAN TANK LINES INC	–	116,098	20.07	71,313	32,155	45.1	CM LP
18. LEE WAY MOTOR FREIGHT INC	–	113,315	20.57	63,895	18,780	29.4	CM GF
19. CAROLINA FREIGHT CARRIERS CORP	–	110,540	21.06	59,978	26,272	43.8	CM GF

Operator	Ultimate Parent[1]	Carrier Operating Revenues ($000)	Cumulative % of Total[2]	Carrier Assets ($000)	Carrier Debt ($000)	Debt/ Asset Ratio	Type of Carrier[3] & Additional Information
20. Signal Delivery Service Inc	LEASEWAY TRANSPORTATION CORP (80%)	110,318	21.55	44,263	18,387	41.5	CT RS; Sears Roebuck & Co owns 20%.
21. EAST TEXAS MOTOR FREIGHT LINES INC	–	109,808	22.03	33,178	5,613	16.9	CM GF
22. MASON & DIXON LINES INC	–	103,308	22.48	35,023	8,236	23.5	CM GF
23. Terminal Transport Co Inc	TEXAS GAS TRANSMISSION CORP†	103,169	22.94	52,612	20,828	39.6	CM GF
24. GATEWAY TRANSPORTATION CO INC	–	102,748	23.39	59,555	19,130	32.1	CM GF
25. IML Freight Inc	GATES RUBBER CO*	101,989	23.84	47,782	7,370	15.4	CM GF
26. OVERNITE TRANSPORTATION CO	–	101,799	24.29	65,103	11,661	17.9	CM GF
27. Matlack Inc	RLC CORP	100,480	24.73	69,572	33,465	48.1	CM LP
28. WILSON FREIGHT CO	–	93,968	25.15	33,230	7,371	22.2	CM GF
29. UNITED VAN LINES INC	–	92,987	25.56	14,866	2,598	17.5	CM HG
30. Arkansas-Best Freight System Inc	ARKANSAS BEST CORP	88,782	25.95	36,394	7,234	19.9	CM GF
31. Aero Mayflower Transit Co Inc	MAYFLOWER CORP	88,709	26.34	22,356	1,623	7.3	CM HG
32. GARRETT FREIGHTLINES INC	–	86,833	26.72	47,141	5,518	11.7	CM GF
33. Midwest Emery Freight System Inc	RENTAR INDUSTRIES INC	84,984	27.09	27,777	8,525	30.7	CM SC
34. Branch Motor Express Co	BRANCH INDUSTRIES INC	83,652	27.46	28,730	13,010	45.3	CM GF
35. Anchor Motor Freight Inc	LEASEWAY TRANSPORTATION CORP	83,103	27.83	41,393	21,212	51.2	CT MV
36. NAVAJO FREIGHT LINES INC	UNITED TRANSPORTATION INVESTMENT CO (87.20%)	81,658	28.19	53,428	21,178	39.6	CM GF
37. ASSOCIATED TRUCK LINES INC	–	81,349	28.55	33,437	6,875	20.6	CM GF
38. Jones Motor Co Inc[4]	ALLEGHANY CORP (div.)	81,202	28.91	40,089	14,522	36.2	CM GF
39. CENTRAL FREIGHT LINES INC	–	79,320	29.25	63,727	32,741	51.4	CM GF
40. Eastern Express Inc	AMERICAN EXPORT INDUSTRIES INC	77,627	29.60	28,023	11,433	40.8	CM GF
End of CDE Sample Operator List							
41. C & H Transportation Co Inc	Tyler Corp	73,746					

Operator	Ultimate Parent[1]	Carrier Operating Revenues ($000)	Cumulative % of Total[2]	Carrier Assets ($000)	Carrier Debt ($000)	Debt/ Asset Ratio	Type of Carrier[3] & Additional Information
42. Illinois-California Express Inc	Cerro Corp	73,464					
43. Hall's Motor Transit Co	–	73,204					
44. Pacific Motor Trucking Co	SOUTHERN PACIFIC CO	72,887					
45. Hennis Freight Lines Inc	Benton-Spry Inc	72,226					
46. Bowman Transportation Inc	–	71,744					
47. Transamerican Freight Lines Inc	Transamerican Investment Co	69,479					
48. Red Ball Motor Freight Inc	Telecom Corp	68,660					
49. Johnson Motor Lines Inc	–	66,330					
50. Bekins Van Lines Co	Bekins Co	66,027					

* Control over operator is exercised through one or more intermediaries.

† See diagram of control structure in Part Two.

1. For operators ranked 1 through 40 ultimate parent controls 100% of voting stock unless otherwise indicated.

2. Percent of total regulated revenues.

3. CM–Common, CT–Contract, GF–General freight, HG–Household goods, LP–Liquid petroleum products, RS–Retail store delivery service, SC–Specific commodities not subgrouped, MV–Motor vehicles.

4. Asset and debt figures found in Alleghany Corp, *Annual Report, 1974.*

SOURCE: Interstate Commerce Commission, Bureau of Accounts, "Large Class I Motor Carriers of Property: Selected Earnings Data," mimeographed; M-1 Annual Reports filed with the ICC for year's end 1974.

teria for size classification. Class I carriers, a designation assigned to the largest companies, must now earn at least $3 million in operating revenues. In 1945, revenues of at least $200,000 were sufficient for a Class I designation.

As a group, the Class I carriers are increasing their share of the regulated trucking revenues. Between 1960 and 1973, Class I share of total revenues increased from 66% to 80% (see Table MF-V).

This pattern of increasing concentration is variously explained as the economic dynamics of a maturing industry or as the artificial product of government regulation. These views are part of a more general debate concerning the cost/benefit aspect of ICC trucking regulation (see Section III-B).

D. Corporate Structure

Because most motor carriers are relatively small companies, they are not generally organized as corporations with publicly-held stock. Of the more than 14,000 trucking firms in the regulated sector, less than 1% are publicly-held. However, these publicly-owned corporations tend to be the largest operators and generated nearly 30% of the regulated industry's revenues in 1972. Between 1950 and 1973, the number of public corporations has more than doubled.

Corporate mergers and acquisitions are common in the trucking industry. As indicated in the accompanying Motor Carrier Operator Chart, several carriers are affiliates or divisions of other corporations. On the one hand, non-transportation enterprises are acquiring motor carriers; on the other hand, larger operators have taken over smaller firms. As of 1972, the ICC reported that carriers controlled by non-transportation companies had 12% of total Class I revenues.

A number of corporate acquisitions are the indirect result of ICC regulation. Motor carrier service is limited to the authority granted under ICC operating certificates. Because operating franchises restrict service to designated points, a trucking operator seeking to expand service into new areas must obtain additional service grants from the ICC. This method of expansion can involve lengthy Commission hearings in which approval is uncertain. To avoid this, a company will often choose to acquire an existing trucking firm and its ICC operating franchise. Consequently, the operating franchise is probably the most important asset for most motor carriers (see Section III-B).

II. ECONOMIC DYNAMICS

A. Market Trends

The demand for all categories of motor carrier transportation has expanded at a rate exceeding that for the general freight market. In the past twenty years, these carriers increased their share of the total intercity freight market fourfold; by 1973 nearly 23% of the total intercity ton-miles was transported by truck (see Table MF-VI).

The regulated sector alone, which accounts for approximately 42% of the total truck ton-miles, recorded a similar growth record.* Between 1955 and 1973, the revenues of regulated carriers grew faster than the national income (see Table MF-VII). During the last two decades, motor carriers' share of total dollars spent for all regulated transportation rose from 35% to 55% (see Table MF-VIII).

Several factors in the economy have contributed to the motor carriers' capacity to compete in the freight market. To some extent this growth is a product of expanding industrial output. More significantly, the vigorous expansion of the trucking industry is a result of traffic diverted from the railroads. The extension of the national highway system gave the industry connections to all major markets as well as outlets to rural districts and small communities. The decentralization of industry and population created new traffic-generating areas that could be more conveniently serviced by truck. Consequently, the flow of freight now moves in smaller volumes, over shorter distances, and is bound for more dispersed destinations. Hence traffic for which motor carriers enjoy a comparative advantage is a growing part of the freight market.

Furthermore, evidence suggests that motor carrier growth is not limited to short-haul traffic. The average shipment of Class I common carrier travels 280 miles. According to one estimate, 74% of all common carrier shipments of at least 10 tons move more than 200 miles and 57% of these shipments travel more than 300 miles.[2] At these distances, it is generally estimated that railroads can offer a cheaper transport service. Apparently, shippers are willing to pay higher prices for motor carrier transportation in return for faster service.

B. Freight Composition

Small shipments are the most important revenue sources for the motor carrier industry.** In 1972, these shipments generated 50% of Class I carrier revenues (see Table MF-IX). While truckload shipments of other commodities (such as food, chemicals, and automobiles) are also important revenue sources, trends in the small shipment market are of special importance to the motor carrier industry.

Competition from motor carriers has practically forced the railroads out of this market. Motor carrier LTL service generally eliminates the extra terminal handling required in rail LCL movements.† Between 1950 and 1974, motor carriers increased their share of total small shipment tonnage from 61.4% to 83.6%. During the same period, rail LCL tons fell from 25.5% to less than 1% of the total market (see Table MF-X).

These figures do not include the operations of a special small parcel carrier, the UNITED PARCEL SERVICE (UPS).[3] With more than one billion dollars in operating revenues, UPS is the largest regulated motor carrier. In less than ten years, UPS volume grew by almost 700%. In 1974 UPS handled nearly four times the tonnage carried by the U.S. Government Parcel Post Service and seven times that transported by the now defunct Railway Express Company (see Table MF-X).

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* Unless otherwise indicated, the ensuing discussion will focus exclusively on the operations of the regulated trucking sector.

**Otherwise known as less-than-truckload (LTL) motor carrier freight and less-than-carload (LCL) railroad freight. As defined by the Interstate Commerce Commission, a small shipment is a shipment of any commodity that weighs less than 10,000 pounds.

† Trucks can generally be loaded at the shipper's terminal and directly deliver the freight to the buyer. In contrast, LCL traffic requires that the shipment be delivered to a railroad terminal, loaded onto the train for long-distance haul, loaded back onto a truck at the other end of the passage, and then delivered to the buyer.

In recent years, the small shipments carried by commercial airlines and air freight forwarders grew at a rate second only to that of UPS. Presently, air freight represents 3.2% of total small shipment tons but generates 12.8% of the market's revenues. In future years, air freight service could be the most serious competition for motor carriers' small shipment traffic.

C. Labor

Between 1960 and 1974 employment in the total trucking industry recorded a growth exceeding that for all other transportation modes. Regulated and unregulated carriers employed 42.8% of the total transportation personnel in 1974, whereas in 1960, the industry's share was 33.6% (see Table MF-XI). During this same period, Class I motor carrier employment increased from 327,000 to 580,000 (see Table MF-XII).

Labor productivity in intercity trucking improved along with the expansion of the work force. Between 1950 and 1974, productivity (as measured by the Bureau of Labor Statistics) increased by 48%. This increase is greater than that for all private industry, equal to that recorded by the manufacturing sector, but below productivity gains recorded in other transportation modes (railroads, oil pipelines and airlines).[4]

In 1972, the trucking industry paid an average wage per employee of $12,782, a rate 8.3% higher than that paid to all transportation workers. The payrolls of Class I intercity common carriers of general freight represented 52.8% of operating revenues in 1972; fringe benefits (social security, welfare benefits, and workmen's compensation) accounted for another 7.4%.[5] In recent years, wages have represented a steady share of operating revenues while fringe benefits have increased (see Table MF-XIII).

Conditions of trucking employment are determined through labor-management agreements facilitated by the combined associations of employers and employees. Through their affiliation with the International Brotherhood of Teamsters, 450,000 trucking employees negotiate a standard national contract under the National Master Freight Agreement. Similarly, employers improve their bargaining position through associations, the largest being the Trucking Employer, Inc. representing 16,000 trucking firms.

The most recent three-year contract, signed in mid-1976, removed the ceiling on cost-of-living (COLA) payments contained in the previous agreement. Payments in the new contract will compensate for one-half to two-thirds of the erosion in real wages caused by inflation. Wage and fringe benefits will increase by 30% over the three-year period.[6]

D. Technological Change

The construction of the interstate highway system provided the most important basis for improvement in trucking technology. Eliminating traffic lights and reducing mileage between major centers, the new highways sharply reduced the time required to transport goods by trucks. Furthermore, with its reinforced bridge structures, durable road surfaces, and wider traffic lanes, the federal-aid highway system permits trucks to pull longer trailers and carry heavier loads.

During the past twenty years, trailer length has steadily increased. In 1956, only 6.7% of the trailers produced were longer than 36 feet; by 1974 93.7% reached that length and 41.8% were at least 45 feet long.[7] Another method of increasing cargo capacity per truck is the use of double bottom rigs, which are two trailers pulled by one truck. For example, by linking together two 27-foot trailers, cargo capacity is increased 35% and operating efficiency is improved by an estimated 25-30% over the standard 40-foot trailer.[8] State highway regulations now permit the use of twin trailers in all but 15 states.

In addition to increasing trailer length, cargo capacity is further expanded through the use of better insulating materials. With thinner trailer walls, interior width is increased by two inches. As a result of these improvements, the average load per Class I intercity common carrier has increased from 9.7 tons in 1955 to 12.87 tons in 1972.[9]

E. Financial Performance

As an expanding industry with a record of financial return comparing favorably to that of other industries, regulated trucking has attracted growing interest within the public securities market. Changes in corporate structure, such as the acquisition of carriers by non-transportation enterprises and the growing number of publicly-held companies, are a product of this financial performance.

Regulated trucking is one of the few transportation industries whose revenues grew faster than national income during the past twenty years. Class I motor carriers generated a net income (after taxes) of $427 million in 1973, representing more than a fivefold increase over the 1955 figure (see Table MF-XIV).

Given motor carriers' slim operating profit margin (operating expenses represent 95¢ of each revenue dollar), they are particularly susceptible to economic downturns or sudden increases in operating expenses (e.g., fuel price increases). Nevertheless, over the long haul, revenue growth has offset these problems and thereby maintained the industry's profitability. Thus Class I carriers earned a return on investment averaging more than 13% between 1969 and 1973 (see Table MF-XV).

III. GOVERNMENT INVOLVEMENT

A. Highway Development

The national system of interstate highways provided the trucking industry with the means to compete in the intercity freight market. Construction of this extensive network required more than $300 billion in government support since 1921, with more than half of this amount expended during the last twenty years. While these costs are borne by local and state governments as well as the federal government, the latter is decisive in highway development.

Federal aid to highway programs began in 1916 with passage of the Federal Road Act. After World War I, the mass introduction of automobiles led to greater pressures for road extensions and, in subsequent legislation, the federal government deepened its commitment to highway development (see Table MF-XVI). In particular, the Federal Highway Act of 1944 signaled the federal government's commitment to construct a national system of interstate highways connecting all major economic centers.

The Federal Highway Act of 1956, in creating a Highway Trust Fund, established even more extensive federal participation in road construction and improvements. Taxes levied on motor vehicle fuel and supply purchases, combined with a special tax on buses and larger trucks, are deposited into the Federal Fund. With this separate source of financing, road programs can count upon a stable level of support and do not have to compete with other federally-funded transportation programs on a yearly basis.

Managed by the Federal Highway Administration, highway trust funds are distributed to state highway departments for authorized road projects. Work on the 42,500 mile interstate system is financed on a 90% federal and 10% state basis. On the remaining sections of the federal-aid system, costs are financed on a 70% federal, 30% state basis.

Highway development has been supported by a variety of economic interests. Automobile users, real estate interests, and local communities have all pushed for road construction. At the federal level, the most powerful force is the "highway lobby" representing the interests of the trucking, petroleum, automobile and construction industries. The combination of these forces has kept the Highway Trust Fund intact, thereby insuring that road construction remains a high priority in federal transportation policy.

Some observers contend that this aid amounts to a subsidy of truck operators.[10] In a 1969 study, the Federal Highway Administration (FHA) concluded that heavy diesel-powered trucks fail to contribute their share of federal highway expenditures.[11] In response to these critics, the American Trucking Association (ATA) asserts that the FHA study employed a questionable methodology in allocating highway costs. Furthermore, the ATA argues that the trucking industry contributes more than its share of highway costs at all levels of government (including state and local).[12]

As a result of the changing political opinion concerning the national transportation policy, the Highway Trust Fund is subject to growing controversy. In particular, environmentalists and mass transit advocates assert that money in the Fund should now be applied to more pressing transportation needs. As a partial result of this pressure, the Federal Aid Highway Act of 1973 permits the limited use of Trust Fund resources for mass transit purposes.

Opposition to the present level of highway aid also includes the Department of Transportation (DOT). During several administrations, money authorized by Congress for highway purposes was not released to states by the Department. At the end of fiscal 1975, the Trust Fund had accumulated a $9 billion balance in unspent funds. The DOT claims that state highway departments cannot efficiently spend highway money at currently authorized levels. While continuing the government's commitment to complete the interstate system, the Department is seeking sweeping changes in the level of federal highway aid.[*]

Highway supporters contend that moves to hold up or divert Trust Fund money will put completion of the interstate system far behind schedule. A slowdown in highway construction will not only hinder road improvement, they add, but will also contribute to additional unemployment. Furthermore, they assert that it is unfair to expect highway users to finance other federal spending programs.

B. Economic Regulation

In 1935, regulation by the Interstate Commerce Commission (ICC) was applied to the motor carrier industry. During the 1930's, the trucking industry experienced its first wave of expansion. Despite intense competition, frequent bankruptcies and sometimes unreliable service, the industry managed to capture an increasing share of the intercity freight market. Both railroads and a number of trucking companies petitioned for government regulation to curb predatory competition.

Motor carrier regulation, patterned after existing railroad controls, assumed that all transportation modes should be subject to the same treatment by government authorities. Congress therefore directed the ICC to insure that trucking service would be available to all shippers at reasonable rates, while at the same time preventing the duplication of services and excess capacity associated with destructive competition. Through its power over carrier rates and its authority to limit market participation, ICC regulation stabilized the economic conditions of the motor carrier industry.

From its inception, however, trucking regulation has been a subject of controversy. In recent years, the ranks of regulatory critics have been growing. They argue that government regulation results in higher rates, fosters increasing concentration, and promotes inefficiency in the form of circuitous routes. On the other hand, proponents of current regulation, led by the American Trucking Association (the major representative of regulated motor carriers), point out that under present government policy the industry has experienced vigorous growth. Competition is present, rates are reasonable, and service quality is high, they assert, because of the ICC-induced economic stability. It is claimed that alteration of the present system could spawn predatory competition leading to financial turmoil and a consequent decline in transportation service.

1. Rate Regulation

Rate regulation is the most complicated and controversial of the regulatory issues. Rates are either set by individual motor carriers or by collective agencies of trucking companies called rate bureaus. A proposed rate must be first published and filed with the ICC. The Commission may suspend a rate's implementation and within a seven-month investigation period either rule it unlawful or declare the rate effective.

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[*] Under a Ford Administration proposal, only part of the present federal 4¢ a gallon fuel tax would go into the Trust Fund; 1¢ would continue to be used for highway purposes; 2¢ would be deposited into the general Treasury Fund; and, at the option of individual states, the final cent would either become an all purposes state tax or would remain as federal revenue to be used for general purposes.

Rate bureaus are specifically exempted from anti-trust prosecution by the Reed-Bulwinkle Act of 1948. Their supporters contend that they perform a practical and necessary service by reducing the number of tariffs and rates that must be filed with the ICC and by providing a forum for agreement on joint rates and services.* Furthermore, they point out that member firms retain the right to take independent action and that interested parties, including shippers, may participate in bureau hearings.

Critics argue that rate bureaus exert a powerful influence over the rate-making process, resulting in higher transportation charges. Collective rate-making is said to discourage intra-modal price competition. Rate bureau member firms know that any proposed rate will apply to their member competitors so that advantages to be gained from price decreases are minimized. Independent action, it is also asserted, is not an effective counter-balance to rate bureau power. While carriers may file rates independently, a protest from the bureaus can lead to their suspension by the ICC. With their full-time staff and substantial budgets, the bureaus are said to be in a much better position to bear the costs of an ICC hearing than are small companies.

The ICC's rate suspension power is its primary mechanism for regulating prices. With its ability to suspend and investigate rates, the Commission has the power to insure that rates are reasonable and non-discriminatory. According to its proponents, the ICC's rate powers are sufficient to protect against excessive or predatory pricing. They also point out that rate regulation provides a forum for all interested parties, including motor carriers, shippers, and rate bureaus.

On the other hand, critics charge that these powers are not an effective check on potential rate abuses. They assert that given the large number of rates filed annually, it is impossible for the Commission to undertake an independent review of each proposal. In practice, therefore, the ICC must largely exercise its rate review in response to protests from interested parties. Since the smaller trucking firms and shippers cannot always afford the costs of an ICC hearing, critics claim that the Commission's rate review works to the advantage of the bigger trucking firms, rate bureaus, and larger shippers.

Critics also argue that minimum rates permitted under current regulation can be lowered even further without jeopardizing the financial viability of the industry. Furthermore, they claim that these lower rates would result in more efficient utilization of equipment.

2. Market Entry Control

Excessive competition in the trucking industry during the 1930's provided the rationale for ICC regulation. To maintain stable competitive conditions, the Commission limits the number of companies through its distribution of "certificates of public convenience and necessity." A company seeking to enter the regulated trucking market must prove that there is a public need for such service. These certificates proscribe the commodities, routes, and points that can be served.

Under a "grandfather clause," a company that could prove it conducted a particular trucking service on June 1, 1935 was entitled to a certificate as a matter of course. But after the initial distribution of operating authorities, it became increasingly difficult to acquire an operating franchise. Now a firm must demonstrate not only that it is capable of providing the proposed service but also that this service will not endanger or impair existing carriers.

Defenders of ICC market control say that it is necessary to prevent a recurrence of the chaotic conditions of the 1930's. They claim that the operating franchise system does not unduly restrict competition or present a closed door to new entrants. Cited as evidence are the large number of existing carriers in the regulated sector and the number of favorable ICC decisions on new operating franchise applications.

Despite the large number of regulated carriers, the critics say that operating certificate restrictions limit the actual transportation of similar commodities between specific points to a few firms. In its exercise of market control, the Commission is seen as protecting those carriers which have received the most lucrative routes under the present system. Furthermore, these market restrictions are claimed to contribute to inefficient energy consumption when operating certificates do not allow a carrier to use the most direct route between two points.

3. Deregulation Prospects

Some change in the economic regulation of the motor carrier industry seems likely. Critics of ICC trucking regulation now include a number of transportation economists, consumer advocates and the Department of Transportation. The suggested changes range from complete deregulation to ICC reform. Railroads may once again be a factor in motor carrier regulation. Recent Congressional reform of certain railroad regulatory procedures may be used as a precedent for similar changes affecting the motor carrier industry. (See Railroad Introduction, Section III-A, for a discussion of these reforms.)*

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* Motor carriers must publish tariffs (description of service offered to the public) and rates (charges for specific service).

* The Department of Transportation (under the Ford Administration) has proposed legislation, the Motor Carrier Reform Act (H.R. 10909; S. 2929), that would limit rate bureau activity, relax ICC entry controls, provide more flexible ratemaking by carriers, and permit, on a limited basis, exempt carriers to haul freight that would normally require ICC approval.

TABLE MF-I. Breakdown of Intercity Motor Carriers

	REGULATED BY ICC		UNREGULATED BY ICC[1]
	Common Carrier	Contract Carrier	Exempt Carrier
Service Stipulation	Must offer service to all shippers	Service offered to few shippers under continuing contracts	There are two types of exemptions: a) commodity (see freight below) and b) service (see route/schedules below)
Freight	General Freight or Specialized Commodities		If exemption is based on commodities hauled then carrier may only transport specified goods (e.g., unprocessed agricultural goods, newspapers, etc.)
Routes and Schedules	A: Non-schedule runs between designated points or within designated areas B: Fixed-schedule operations along designated routes		If exemption is based on service then carrier limited to local trucking and delivery (e.g., air freight forwarding trucking)
1974 Operating Revenues (in thousands)[2]	Class I: $14,584,269	Class I: $392,305	NA

1. While these carriers are generally referred to as "unregulated carriers" their operations are subject to review by the Department of Transportation (safety regulation) and various state highway authorities.

2. Preliminary intercity revenues as reported in *Annual Report of the Interstate Commerce Commission, 1975*, Appendix E, Table 10, p. 125.

TABLE MF-II. Truck Fleet Size of Select Private Carriers, 1974

Private Carrier	Trucks	Tractors	Trailers	Total
Montgomery Ward & Co	4,399	343	1,192	5,934
Ashland Oil Inc	3,051	778	1,631	5,460
Interstate Brands Corp	3,800	325	360	4,485
ARA Services Inc	3,800	15	6	3,821
Agway Inc	3,045	134	560	3,739
Georgia-Pacific Corp	200	1,300	1,800	3,300
National Service Industries	2,718	95	169	2,982
Crown Zellerbach Corp	1,257	NONE	1,352	2,609
Exxon Co USA	1,734	618	612	2,964
Carnation Co	1,100	500	1,000	2,600
Winn Dixie Stores Inc	300	750	1,400	2,450
Gulf Oil Co USA	232	761	713	1,706
Thomas J Lipton Inc	1,440	23	32	1,495
Acme Markets Inc	222	357	898	1,477
MOBIL OIL CORP	195	500	654	1,349
PHILLIPS PETROLEUM CO	580	250	500	1,330
Air Products & Chemicals Inc	250	312	700	1,262
American Linen Supply	1,200	6	12	1,218
Continental Can Co	4	234	928	1,166
Vornado Inc	50	110	895	1,055
ATLANTIC RICHFIELD CO	700	93	255	1,048
Jewel Food Stores Inc	22	309	682	1,013
Reliance Electric Co	950	25	35	1,010
W.R. Grace & Co	300	275	405	980
Skelly Oil Co	900	35	36	971

1. Includes both leased and owned vehicles. Of the vehicles listed above, 91.2% of the trucks, 84.5% of the tractors, and 79.1% of the trailers were owned by the private carriers.

NOTE: This is not necessarily a list of the 25 largest private trucking fleets. Only those private carriers that responded to the *CCJ* public survey are listed above.

SOURCE: *Commercial Car Journal*, July 1975, p. 129.

TABLE MF-III. Market Concentration Calculated by Combining Revenues of Commonly-Owned Operators, 1974

ULTIMATE PARENT/ Operating Subsidiary	Combined Revenues	Cumulative Percent of Total[1]
1. UNITED PARCEL SERVICE OF AMERICA INC	$1,293,973	5.70%
United Parcel Service Inc (NY)		
United Parcel Service Inc (OH)		
2. ROADWAY EXPRESS INC	504,780	7.92
3. CONSOLIDATED FREIGHTWAYS INC	426,175	9.80
4. IU INTERNATIONAL CORP	367,088	11.42
Pacific Intermountain Express Co		
Ryder Truck Lines Inc		
5. YELLOW FREIGHT SYSTEM	351,385	12.97
6. MCLEAN TRUCKING CO	280,998	14.20
7. PEPSICO INC	279,095	15.43
LEE WAY MOTOR FREIGHT INC		
North American Van Lines Inc		
8. LEASEWAY TRANSPORTATION CORP	233,821	16.46
Anchor Motor Freight Inc		
Refiners Transport & Terminal Corp		
Signal Delivery Service Inc		
9. TEXAS GAS TRANSMISSION CORP	201,853	17.35
All-American Transport Inc		
Commercial Carriers Inc		
Terminal Transport Co Inc		
10. NATIONAL CITY LINES INC	198,765	18.23
TIME-DC INC		
11. ALLIED VAN LINES INC	158,265	18.93
12. FUQUA INDUSTRIES INC	144,298	19.56
Interstate Motor Freight System		

1. Percent of total regulated revenues.

2. Company is both a parent and operating motor carrier.

NOTE: Operating revenues are in thousands. Identifies only those subsidiaries that ranked within the 100 top operating motor carriers.

SOURCE: Interstate Commerce Commission, Bureau of Accounts, "Large Class I Motor Carriers of Property: Selected Earnings Data," mimeographed; M-1 Annual Reports filed with the ICC for year's end 1974.

TABLE MF-IV. Number of Regulated Carriers by Size Classification, 1950-1974

Year	Class I	Class II	Class III	Total
1950	2,053	17,544	NA	19,597
1955	2,843	15,298	NA	18,141
1960	1,053	2,276	12,947	16,276
1965	1,250	2,615	11,700	15,565
1970	1,571	2,061	11,468	15,100
1971	1,597	2,169	11,351	15,117
1972	1,771	2,202	11,165	15,138
1973	1,738	2,026	11,380	15,144
1974	830	2,588	11,230	14,648

NOTE: Since January 1, 1974 Class I carriers are those with revenues over $3 million, Class II are those with revenues between $500,000 and $3 million, and Class III are those with revenues under $500,000. This classification has changed several times as follows:

Years	Class I	Class II	Class III
1945-49	$100,000+	$25-100,000	under $25,000
1950-56	$200,000+	$50-200,000	under $50,000
1957-67	$1,000,000+	$200-1,000,000	under $200,000
1968-73	$1,000,000+	$300-1,000,000	under $300,000

SOURCE: American Trucking Association, *American Trucking Trends, 1975.*

TABLE MF-V. Class I Percent of Total Regulated Trucking Revenues, 1950-1974

Year	All Classes	Class I	Class I Percent of Total
1950	$ 3,737	$ 2,380	64%
1955	5,535	4,030	73
1960	7,213	4,763	66
1965	10,068	7,131	71
1970	14,584	11,137	76
1971	16,700	13,011	78
1972	18,300	14,994	82
1973	20,800	16,600	80
1974	22,700	15,861	70

NOTE: Revenue figures in millions. Only figures within bounded categories are comparable due to classification changes (see note to Table MC-IV).

SOURCE: Interstate Commerce Commission, *Transport Economics,* Vol. II, No. 1 (1975), p. 19; U.S. Department of Commerce, Bureau of the Census, *Statistical Abstract of the United States, 1975,* Table 971, p. 580.

TABLE MF-VI. Percent of Total Intercity Ton-Miles Transported by Truck, 1950-1973

Year	Total Intercity	Truck[1]	Truck Percent of Total[2]
1950	1,094	173	15.80%
1955	1,298	223	17.20
1960	1,330	285	21.46
1965	1,651	359	21.76
1970	1,936	412	21.28
1971	1,953	445	22.78
1972	2,071	470	22.70
1973	2,231	505	22.64

1. Includes operations of both regulated and unregulated carriers.

2. Percentages were calculated before rounding figures.

NOTE: Ton-miles in billions. Intercity total includes domestic freight carried by trucks, railroads, inland water carriers, oil pipelines, and airlines.

SOURCE: U.S. Department of Commerce, Bureau of the Census, *Statistical Abstract, 1975,* Table 936, p. 562.

TABLE MF-VII. Motor Carrier Revenues and National Income, 1965-1974

Year	National Income	Motor Carrier Revenues[1]
1965	86.3	89.0
1970	121.7	129.0
1971	130.8	147.7
1972	145.2	161.8
1973	162.7	183.9
1974	174.0	200.7

1. Includes Class I, Class II, and Class III regulated carriers.

NOTE: Index 1967=100.

SOURCE: Interstate Commerce Commission, *Transport Economics,* Vol. III, No. 1 (1976), p. 7.

TABLE MF-VIII. Motor Carrier Percent of the Regulated Domestic Freight Market Revenues, 1950-1973

Year	Total Regulated	Motor Carrier[1]	Motor Carrier Percent of Total
1950	$12,458	$ 3,737	30.00%
1955	15,544	5,535	35.61
1960	16,893	7,214	42.70
1965	20,969	10,068	48.01
1970	28,238	14,585	51.65
1971	31,288	16,700	53.38
1972	34,715	18,700	53.87
1973	37,943	21,000	55.35

1. Includes Class I, Class II, and Class III carriers.

NOTE: Figures for 1972 and 1973 are estimates. Revenues in billions. Total includes domestic freight revenues of regulated motor carriers, water carriers, oil pipelines, railroads, and airlines.

SOURCE: American Trucking Association, *American Trucking Trends, 1974,* p. 21.

TABLE MF-IX. Ten Largest Revenue Sources for Class I Carriers, 1972

Commodity Group	Revenues	Percent of Total Revenues
Small Packaged Shipments	$5,518	51.45%
Food and Kindred Products	732	6.82
Chemical and Allied Products	701	6.54
Transportation Equipment	692	6.45
Primary Metal Products	514	4.79
Petroleum and Coal Products	474	4.42
Stone, Clay and Glass Products	255	2.38
Pulp, Paper and Allied Products	241	2.25
Machinery, Except Electrical	239	2.23
Fabricated Metal Products	168	1.57
Total for Select Commodity Groups	$9,534	88.90%

NOTE: Revenues in millions.

SOURCE: Interstate Commerce Commission, *Freight Commodity Statistics,* 1972.

TABLE MF-X. Various Regulated Transport Modes Percent of Small Shipment Market Tons and Revenues, 1950-1974

	MOTOR CARRIER[1]		RAILROAD[2]		AIRLINE		UNITED PARCEL SERVICE		FREIGHT FORWARDER[3]		RAILWAY EXPRESS[4]		PARCEL POST[5]		SMALL SHIPMENT TOTALS[6]	
Year	Tons	Revenues	Tons	Revenues	Tons	Revenues	Tons	Revenues	Tons	Revenues	Tons	Revenues	Tons	Revenues	Tons	Revenues
1950	61.4%	42.2%	25.5%	14.6%	*	1.3%	NA	NA	4.8%	12.3%	3.2%	12.6%	4.0%	16.2%	87,047	$ 2,431
1955	68.9	45.7	17.9	8.8	*	1.8	NA	NA	6.2	13.1	2.6	11.7	3.5	18.1	78,616	3,203
1960	79.6	60.2	8.3	4.4	*	2.7	*	*	5.5	13.0	1.9	10.2	3.3	17.2	78,031	3,528
1965	85.9	59.3	2.4	1.0	1.0%	4.0	*	1.8%	4.7	11.0	2.2	8.2	2.4	13.3	89,489	5,229
1970	85.2	56.6	1.3	*	2.0	6.2	2.7%	5.7	5.2	12.7	1.1	4.2	2.0	12.5	91,694	7,408
1971	85.3	58.4	1.3	*	2.1	6.0	3.5	6.9	4.6	11.9	*	3.2	2.0	11.8	91,985	8,270
1972	85.3	58.7	*	*	2.3	6.0	3.5	7.6	5.1	12.9	*	2.6	1.7	10.7	97,106	9,416
1973	84.4	56.9	*	*	2.6	6.5	4.1	8.2	5.3	15.0	*	2.6	1.6	9.5	99,252	10,195
1974	83.6	55.6	*	*	2.4	6.7	4.2	8.5	6.6	16.3	*	2.5	1.4	8.8	102,925	10,790

* less than 1%.

1. Less-than-truckload traffic carried by Class I and Class II carriers.
2. Less-than-carload traffic carried by Class I and Class II carriers.
3. Includes operations of air and surface forwarders.
4. Includes both REA air and surface operations.
5. Beginning in 1968 includes heavy weighted pieces of first class mail.
6. Total tons in thousands. Total revenues in millions.

NOTE: Bus express and water carrier service is excluded. Combined, these modes carried less than 1% of total tons.

SOURCE: Interstate Commerce Commission, *Transport Economics,* Vol. III, No. 3 (1976), p. 17; idem, *Transport Economics,* January 1973, pp. 1-7.

TABLE MF-XI. Trucking Industry Percent of Total Transportation Employment, 1960-1974

Year	Total Transportation[1]	Trucking[2]	Trucking Percent of Total
1960	2,550	856	33.57%
1965	2,532	964	38.07
1970	2,688	1,083	40.29
1972	2,653	1,117	42.10
1973	2,742	1,188	43.33
1974p	2,761	1,182	42.81

1. Includes employment in the trucking, railroad, airline, water carrier, local and interurban passenger, pipelines and transportation service industries.
2. Includes both the regulated and unregulated trucking sectors.

NOTE: Employment figures in thousands.

SOURCE: U.S. Department of Commerce, Bureau of the Census, *Statistical Abstract, 1975,* Table 938, p. 563.

TABLE MF-XII. Class I Motor Carrier Percent of Total Trucking Employment, 1960-1973

Year	Total Trucking[1]	Motor Carrier[2]	Motor Carrier Percent of Total
1960	856	327	38.20%
1965	964	375	38.90
1970	1,083	500	46.17
1972	1,117	542	48.52
1973	1,188	580	48.82

1. Includes both regulated and unregulated carriers.
2. Class I carriers only.

NOTE: Employment figures in thousands.

SOURCE: U.S. Department of Commerce, Bureau of the Census, *Statistical Abstract, 1975,* Tables 938 and 972, pp. 563 and 580.

TABLE MF-XIII. Payroll and Fringe Benefits Percent of Total Motor Carrier Revenues, 1945-1972

Year	Payroll	Fringe Benefits[1]	Total
1945	50.6%	2.3%	52.9%
1950	49.9	2.2	52.1
1955	53.0	3.5	56.5
1960	55.5	4.9	60.4
1965	47.5	5.9	53.4
1970	52.3	7.5	59.8
1971	51.5	7.4	58.9
1972	52.8	7.6	60.4

1. In 1945, fringe benefits as a percent of revenues were 1.3% Social Security, 0.1% welfare benefits, and 0.9% workmen's compensation; by 1972 these were 2.3%, 4.6%, and 0.7% respectively.

NOTE: Prior to 1965 only those carriers with "operating owned equipment primarily" were included.

SOURCE: American Trucking Association, *American Trucking Trends, 1974,* p. 33.

TABLE MF-XIV. Class I Motor Carrier Revenues, Expenses, Operating Ratios, and Net Income, 1955-1973

Year	Operating Revenues	Operating Expenses	Operating Ratios[1]	Net Operating Revenues	Net Income[2]
1955	$ 4,030	$ 3,870	96.03	$160	$ 82
1960	4,763	4,645	97.52	119	37
1965	7,131	6,760	94.80	371	209
1970	11,137	10,763	96.64	375	150
1971	13,011	12,238	94.06	774	410
1972	14,994	14,156	94.41	838	460
1973	16,600	15,787	95.10	813	427

1. Operating Ratio is operating revenues divided by operating expenses.

2. After income taxes.

NOTE: Figures for revenue, expense and income in millions.

SOURCE: U.S. Department of Commerce, Bureau of the Census, *Statistical Abstract, 1975,* Table 972, p. 580.

TABLE MF-XV. Return on Investment and Equity for Class I Motor Carriers, 1969-1974

Year	Return on Investment	Return on Equity
1969	11.15%	9.83%
1970	9.00	6.69
1971	17.17	15.85
1972	16.28	15.21
1973	15.14	13.33
1974p	11.16	12.07

SOURCE: Interstate Commerce Commission, *Annual Report of the Interstate Commerce Commission, 1972,* Table 10, p. 137; idem, *Annual Report, 1973,* Table 10, p. 135; idem, *Annual Report, 1975,* Table 10, p. 125.

TABLE MF-XVI. Chronology of Government Involvement in Motor Carrier Transportation, 1916-1973

Date	Event	Comment
1916	Federal Road Aid Act	Money is appropriated to states for highway improvement along routes used by Postal Service.
1921	Federal Aid Highway Act	Federal money is provided to states for highway purposes on continuing basis. Projects are financed on a 50% state, 50% federal basis.
1935	Motor Carrier Act	Established federal regulation of the trucking industry. Patterned after its regulation of the railroads, ICC given power to regulate rates, control market entries and oversee financial transactions.
1944	Federal Aid Highway Act	Commitment of federal aid to construction of a national system of interstate and urban highways.
1948	Reed-Bulwinkle Act	Rate Bureaus exempted from antitrust prosecution.
1956	Federal Aid Highway Act	Established a Highway Trust within federal government. Projects within the designated federal-aid primary system are funded on a 90% federal and 10% state basis.
1966	Department of Transportation Act	DOT assumes responsibility for administering federal highway aid and implementing federal truck safety standards.
1973	Federal Aid Highway Act	Permits limited use of Highway Trust Fund resources for mass transit projects.

NOTES

1. See Dudley F. Pegrum, *Transportation: Economics and Public Policy*. Revised Edition, Homewood, IL: Richard D. Irwin Inc., 1968, pp. 140-142; Robert C. Fellmeth, *The Interstate Commerce Commission*, pp. 44-46.

2. See A.L. Morton, *Competition in the Interstate Freight Market: A Waybill Study of the Motor-Carrier Industry*, Washington, DC: Federal Clearinghouse, 1971, Table G, p. 29.

3. Due to franchise restrictions, UPS generally cannot accept packages that weigh more than 50 pounds and one shipper may not use UPS to transport 100 pounds during one day for one buyer. According to ICC estimates the average UPS shipment weighs 12.4 pounds.

4. U.S. Department of Labor, Bureau of Labor Statistics, *Handbook of Labor Statistics, 1975—Reference Edition*, Bulletin 1865, Washington, DC: U.S. Government Printing Office, Tables 85 and 87, pp. 187 and 199.

5. American Trucking Association, *American Trucking Trends, 1974*, p. 32.

6. Estimates of the three-year costs assume an inflation rate of 6%. If the inflation rate is higher, the cost of the contract will increase under the new COLA formula.

7. *Commercial Car Journal*, July 1975, p. 132.

8. Marvin D. Juliar, Vice-President, First National Bank of Chicago, *1969 Bankers Analysis of the Motor Carrier Industry for 1968*, Washington, DC: American Trucking Association, p. 4.

9. American Trucking Association, *American Trucking Trends, 1974*, p. 37.

10. See John R. Meyer et al., *The Economics of Competition in the Transportation Industry*, Harvard Economic Studies, Volume CVII, Cambridge, MA: Harvard University Press, 1959, Ch. 4.

11. U.S. Department of Transportation, Federal Highway Administration, *Allocation of Highway Cost Responsibility and Tax Payments*, Washington, DC: 1969.

12. American Trucking Association, *Highway Cost Responsibility and Tax Payments by Motor Trucks*, pp. 21-24. According to the ATA, a four-axle tractor trailer pays $2,972 in state and federal highway taxes; a five-axle truck pays $3,482 and a 5-axle combination pays $3,941. Idem, *American Trucking Trends, 1974*, p. 25.

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Motor Carriers Passenger

I. INDUSTRY STRUCTURE

A. Classification

In 1974, there were 950 motor carriers providing intercity, local, and suburban passenger transportation, as well as charter and other special services. Since 1960, the number of operators has gradually declined from 1,150, while total industry revenues have more than doubled, reaching $1,145 million in 1974. The 80 Class I carriers which primarily serve the intercity market accounted for approximately 80.8% of total revenues (see Table MP-I).*

B. Concentration

Three carriers dominate the whole industry: Greyhound Lines Inc, Continental Trailways Inc, and Transport of New Jersey. Twenty seven of the Class I carriers which report to the Interstate Commerce Commission are owned by these three transportation systems. Together they accounted for 77.61% of all Class I revenues in 1974 (see Table MP-II). This high degree of concentration is not due as much to the economies of scale associated with bus line-haul technology as to the economies of scale of terminal operations, scheduling, and interchanging of passengers.[1]

The origins of these three companies, and the emergence of the industry as such, go back to the 1920's, when the growth of the interstate highway system made intercity passenger transportation competitive with railroads. The development of the industry was promoted by the major bus manufacturers. General Motors, for instance, assisted in the formation of GREYHOUND in 1926, was its largest stockholder until 1948, and remains its sole supplier of buses.[2] Bus operators, and GREYHOUND in particular, established their major routes by offering service parallel to railroad lines, forcing the railroads to enter joint bus ventures, and to abandon their own passenger service on branch and main lines. These joint ventures were later bought out by the motor carriers. Most of the industry's subsequent expansion, and the continuing trend toward concentration, has resulted from the acquisition of smaller operators by the larger carriers.

C. Corporate Structure

All three major transportation systems are subsidiaries of diversified companies. GREYHOUND CORP diversified from its bus operations into other lines of business in the 1960's. On the other hand, Continental Trailways was acquired by HOLIDAY INNS INC in 1969, and Transport of New Jersey has been a subsidiary of PUBLIC SERVICE ELECTRIC & GAS CO since 1948.

II. ECONOMIC DYNAMICS

A. Market Trends

While intercity passenger transportation grew by more than 250% between 1950 and 1972, the bus volume of intercity passenger-miles dropped off sharply in the late 1950's and barely regained its 1950 level by 1972. The bus share of the market correspondingly fell off from 5.20% to 1.97% during the same time period (see Table MP-III). Buses do have a distinct competitive advantage over railroads due to the flexibility of scheduling smaller operating units and the ability to attain near-capacity load factors on high volume routes.[3] Most of their market share loss, however, is attributable to competition from airlines and the private automobile.

B. Labor

Intercity bus employment grew quickly throughout the early 1950's but only matched the growth rate of total transportation employment thereafter (see Table MP-IV). Drivers, mechanical and maintenance workers, and terminal employees of most major carriers are members of the Amalgamated Transit Union (AFL-CIO).

C. Financial Performance

Intercity passenger transportation has been a profitable business in comparison with other modes of transportation. Net income of Class I carriers grew from $18 million in 1950 to a peak of $64 million in 1971. Their return on investment has been only slightly inferior to the performance of motor carriers of freight (see Table MP-V).

Small and large carriers, however, have not shared equally in the growth of the industry. Smaller carriers are concentrated in short haul and/or low density areas and cannot subsidize losses in these services with profitable long-haul routes or charter operations. Larger carriers which serve predominantly local and suburban areas,

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* This figure does not include Class I carriers which serve primarily local and suburban areas, such as Transport of New Jersey, the third largest operator. The 96 Class I carriers which reported to the ICC in 1974 accounted for approximately 92% of total industry revenues.

CDE Motor Carrier-Passenger Operator Chart: Top 3 Ranked by Revenues, 1974

Operator	Ultimate Parent[1]	Carrier Operating Revenues ($000)	Cumulative % of Total[2]	Carrier Assets ($000)	Carrier Debt ($000)	Debt/Asset Ratio	Additional Information[3]
1. Greyhound Lines Inc	GREYHOUND CORP	561,276[4]	53.09	395,042	63,724	16.1	
2. Continental Trailways Inc	HOLIDAY INNS INC*	186,947[5]	70.78	NA	NA	NA	Legal Counsels: Verner, Liipfert, Bernhard & McPherson, DC–NA; Hewett, Johnson, Swanson & Barbee, TX–NA.
3. Transport of New Jersey	PUBLIC SERVICE ELECTRIC & GAS CO	72,199	77.61	26,093	785	3.0	

* Control over operator is exercised through one or more intermediaries.

[1] Ultimate parent controls 100% of voting stock.

[2] Percent of total Class I revenues.

[3] Legal counsels are among the major firms used by the operator.

[4] Includes revenues of 7 other operators which are 50% or more owned by GREYHOUND CORP and half the revenues of an operator jointly owned with HOLIDAY INNS INC. All file separate reports with the ICC.

[5] Includes revenues of 16 other operators which are 50% of more owned by HOLIDAY INNS INC and half the revenues of an operator jointly owned with GREYHOUND CORP. All file separate reports with the ICC.

SOURCE: Interstate Commerce Commission, Bureau of Accounts, "Statement No. 750" (1974), mimeographed; MP-1 Annual Reports filed with the ICC for year's end 1974.

such as Transport of New Jersey, face a similar problem. Passenger-mile costs for trips under 50 miles are estimated to be 50% greater than for trips over 200 miles.[4] Consequently, while GREYHOUND and Continental Trailways accounted for 70.77% of all 1974 Class I revenues, they received 87.95% of net income. These two companies carried only 31.76% of all passengers but accounted for 69% of the bus miles operated by Class I carriers (see Table MP-II). On the other hand, Transport of New Jersey, which has reported net losses for several years despite state subsidies,[5] carried 38% of all passengers.

D. Competition from Amtrak

The performance of the intercity bus industry as a whole has been declining since 1971, its most profitable year. It is strongly debated whether its financial problems are due to the initiation of services by NATIONAL RR PASSENGER CORP (Amtrak) in 1971. In 1975, bus operators, through the National Association of Motor Bus Owners, waged a national advertising campaign against federal subsidies for Amtrak. The railroad claims that they actually compete on only a small portion of their respective systems and that the buses are indirectly subsidized through the federal highway system. In a few instances, Amtrak and bus companies have agreed to coordinate their transportation services between areas in which they do not compete. Amtrak competition, as well as the growth of competitive charter service by nonregulated operators, raises a degree of uncertainty about the immediate future of the industry.[6]

TABLE MP-I. Intercity Bus Industry: Number of Carriers and Operating Revenues, 1939-1974

	NUMBER OF CARRIERS		OPERATING REVENUES	
Year	Total[1]	Class I[2]	Total[1]	Class I[2]
1939	–	165	NA	$123,700
1950	–	194	NA	367,100
1960	1,150	143	$ 556,200	463,100
1964	1,100	160	686,700	595,400
1968	1,050	173	797,600	694,600
1970	1,000	71	901,400	721,700
1971	1,000	71	953,200	758,400
1972	1,000	74	974,400	775,300
1973	1,000	75	1,022,700	814,600
1974p	950	80	1,144,600	925,300

1. Includes Class I, II and III carriers reporting to the ICC and intrastate carriers.

2. Excludes Class I carriers subject to ICC jurisdiction engaged primarily in local or suburban service and carriers that transport both freight and passengers. Figures since 1970 represent only carriers classified as Class I under the test effective January 1, 1969.

NOTE: Revenue figures in thousands.

SOURCE: National Association of Motor Bus Owners, *Bus Facts, 1974 Statistical Supplement,* Washington, DC, pp. 1-2.

TABLE MP-II. Intercity and Select Carriers' Percent of Total Class I Revenues, Net Income, Bus Miles Operated, and Revenue Passengers Carried, 1974

Carrier	Operating Revenues	Net Income	Bus Miles Operated	Revenue Passengers Carried
Total Class I Carriers	$1,057,172	$58,404	978,955	317,031
Total Intercity Carriers	$ 916,316	$59,948	868,459	152,786
Percent of Total	86.68%	102.64%	88.71%	48.19%
Greyhound Lines Inc[1]	561,276	$35,616	490,758	78,419
Percent of Total	53.09%	60.98%	50.13%	24.74%
Continental Trailways[2]	$ 186,947	$15,752	188,994	22,250
Percent of Total	17.68%	26.97%	19.30%	7.02%
Transport of New Jersey	$ 72,199	($3,530)	62,616	120,588
Percent of Total	6.83%	(6.04%)	6.39%	38.04%
Total Top Two	$ 748,223	$51,368	679,752	100,669
Percent of Total	70.78%	87.95%	69.44%	31.75%
Total Top Three	$ 820,422	$47,838	742,368	221,257
Percent of Total	77.61%	81.90%	75.83%	69.79%

1. See Motor Carriers–Passenger Operator Chart, Note 4.

2. See Motor Carriers–Passenger Operator Chart, Note 5.

NOTE: All figures are preliminary and in thousands.

SOURCE: Interstate Commerce Commission, Bureau of Accounts, "Statement No. 750" (1974), mimeographed.

NOTES

1. John R. Meyer et al., *The Economics of Competition in the Transportation Industry,* Harvard Economic Studies, Vol. CVII, Cambridge, MA: Harvard University Press, 1959, p. 222.
2. Bradford Snell, "American Ground Transport," in *The Industrial Reorganization Act,* Hearings before the Subcommittee on Antitrust and Monopoly, Committee on the Judiciary, U.S. Senate, 93rd Congress, 2nd Session, S. 1167, Part 4A-Appendix to Part 4, Washington, DC: U.S. Government Printing Office, 1974, p. 28.
3. John R. Meyer et al., *The Economics of Competition in the Transportation Industry,* p. 101.
4. Ibid., pp. 100-101.
5. Transport of New Jersey's losses have been minimized through state subsidies since 1972. These subsidies amounted to $8.5 million and $17.2 million in 1974 and 1975 respectively. PUBLIC SERVICE ELECTRIC & GAS CO, *1975 Annual Report to Stockholders,* p. 19.
6. Interstate Commerce Commission, *Annual Report of the Interstate Commerce Commission, 1975,* Washington, DC: U.S. Government Printing Office, p. 41.

TABLE MP-III. Bus Share of Intercity Passenger Traffic, 1950-1972

Year	Total Passenger-Miles	Bus Passenger-Miles[1]	Bus Percent of Total
1950	508	26	5.20%
1960	784	19	2.47
1965	920	24	2.58
1970	1,185	25	2.14
1972	1,300	26	1.97

1. Excludes school buses.

NOTE: Passenger-miles in billions.

SOURCE: U.S. Department of Commerce, Bureau of the Census, *Statistical Abstract of the United States, 1975,* Washington, DC: U.S. Government Printing Office, Table 937, p. 562.

TABLE MP-IV. Intercity Bus Percentage of Total Transportation Employment, 1939-1974

		ALL BUSES[1]		CLASS I BUSES[2]	
Year	Total	Number	Percent of Total	Number	Percent of Total
1939	NA	NA	–	22,659	–
1950	NA	NA	–	42,290	–
1960	2,550,000	45,000	1.76%	34,514	1.35%
1970	2,688,000	49,500	1.84	34,383	1.27
1972	2,653,000	49,100	1.85	34,147	1.29
1973	2,742,000	48,400	1.77	33,829	1.23
1974p	2,761,000	49,000	1.77	35,200	1.27

1. See Table MP-I, Note 1.
2. See Table MP-I, Note 2.

SOURCE: National Association of Motor Bus Owners, *Bus Facts, 1974,* pp. 1 and 4; U.S. Department of Commerce, *Statistical Abstract, 1975,* Table 938, p. 563.

TABLE MP-V. Return on Net Investment and Equity of Class I Intercity Buses, 1969-1974

Year	Return on Net Investment	Return on Equity
1969	9.59%	15.17%
1970	10.38	13.41
1971	12.75	15.57
1972	12.46	15.15
1973	11.20	13.37
1974p	11.50	13.26

SOURCE: Interstate Commerce Commission, *Annual Report of the Interstate Commerce Commission, 1972,* Washington, DC: U.S. Government Printing Office, Table 11, p. 138; idem, *Annual Report, 1973,* Table 11, p. 136; idem, *Annual Report, 1975,* Table 11, p. 126.

Airlines

I. INDUSTRY STRUCTURE

A. Classifications

In this introduction we discuss the operations of airlines regulated by the Civil Aeronautics Board (CAB). Intrastate airline operations are not federally-regulated and several sizeable carriers operate solely within one state. The largest of these airlines, PSA INC, is included in this Directory (see Airlines Operator Chart).

CAB-regulated carriers are grouped into two broad classes: certificated route ("scheduled airlines") and supplemental route ("non-scheduled airlines"). Scheduled airlines operate under certificates authorizing regular passenger and freight service over designated routes. Non-scheduled airlines conduct freight and passenger charters.* Unless otherwise specified, this introduction will speak only of the scheduled airlines, which generate nearly 95% of passenger traffic.[1]

Scheduled airlines can be divided into several sub-classes according to the special nature of their services. The trunk line carriers fly between the major domestic and international traffic centers; local service carriers primarily serve smaller, regional city traffic; and all-cargo lines specialize in freight transport. While all three carrier types may conduct some form of international service, the two major international carriers, PAN AMERICAN and TRANS WORLD AIRLINES, account for the bulk of U.S.-flag international service.

B. Transport Geography

Air carriers offer expansive transportation services along the more than 400,000 miles of federal airways.[2] In addition, U.S. airlines fly to nearly every major international center. Domestically, the scheduled airlines serve more than 400 communities within the 48 continental states.[3] Approximately 58,000 city pairs--routes between two cities--receive regular air service with more than 70% of all passenger-miles flown between 908 of these travel routes.[4] The four largest air traffic hubs of Chicago, New York, Atlanta, and Los Angeles, accounted for 28% of 1974 passenger boardings (see Table AL-I).

C. Concentration

At year's end 1974, there were 35 airlines subject to CAB regulation. A dozen large carriers, however, accounted for the bulk of revenues and traffic generated by regulated companies. The largest 4, 8, and 12 operators earned 48.00%, 75.66%, and 86.84% of the 1974 revenues respectively (see Airline Operator Chart). By the same token, these large carriers also generated the bulk of airline passenger-miles with the top 4, 8, and 12 accounting for 53.31%, 82.18%, and 93.22% of the 1974 total respectively (see Table AL-II).

D. Corporate Structure

During the formative period of aviation development (1915-1935), the predecessors of today's major airlines were subsidiaries of holding companies controlled by major aircraft manufacturers. These companies hoped to develop markets for their aircraft products through the promotion of air travel. In 1934, aircraft manufacturers were forced to divest themselves of their airline interests by the Black-McKeller Act. Since that time, airlines have been primarily organized as publicly-held corporations.

At year's end 1974, none of the major trunk lines shared common corporate connections. Of the 26 largest air carriers, only three were subsidiaries of non-transportation companies (see Airline Operator Chart). However, a number of large carriers have formed holding companies to advance diversification which has been typically directed into areas horizontally related to air transport. Hotels, food services, and restaurants are currently the most favored areas for new investment. A number of companies have developed non-airline interests to the point where they represent approximately 10% of revenues or income (see Table AL-III).

II. ECONOMIC DYNAMICS

A. Market Trends

Air transportation has become the dominant mode of intercity passenger transportation. The famed original "Kitty Hawk" flight engineered by the Wright brothers occurred in 1903, but it was not until 1914 that regular passenger service was inaugurated. An infant airline "industry" emerged by the 1920's primarily for mail transportation. While passengers were occasionally carried, they were of secondary importance to an industry that depended upon mail subsidies for economic survival (see Section III-B). During the next two decades, however, it became evident that the future of air transportation depended upon passenger traffic, and by 1940, the industry generated $60 million in passenger revenues.[5] World War II disrupted commercial air traffic, but it also marked a technological watershed from which the modern airline industry has developed.

The airline industry grew at a rapid rate between 1950 and 1970. Operating revenues increased more than tenfold and traffic expanded at an even faster pace, moving

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* Scheduled airlines are also permitted to offer limited charter service.

CDE Airline Operator Chart: Top 26 Ranked by Revenues, 1974

Operator	Ultimate Parent[1]	Airline Operating Revenues ($000)	Cumulative % of Total[2]	Airline Assets ($000)	Airline Debt ($000)	Debt/ Asset Ratio	Type of Carrier[3] & Additional Information[4]
1. United Air Lines Inc	UAL INC	2,256,167	14.80	2,337,343	646,896	27.7	TR. Legal Counsels: Mayer, Brown & Platt, IL–$565; Brobeck, Phleger & Harrison, CA–$216; Baker & McKenzie, CA, IL, NY–$43.
2. TRANS WORLD AIRLINES INC	–	1,755,583	26.32	1,831,243	949,720	51.9	TR
3. AMERICAN AIRLINES INC	–	1,717,677	37.59	1,675,321	502,356	30.0	TR
4. PAN AMERICAN WORLD AIRWAYS INC	–	1,588,033	48.00	1,700,160	935,259	55.0	TR
5. EASTERN AIR LINES INC	–	1,530,288	58.04	1,444,763	801,659	55.0	TR
6. DELTA AIR LINES INC	–	1,368,586	67.02	1,324,527	403,929	30.5	TR
7. NORTHWEST AIRLINES INC	–	766,844	72.05	1,139,826	229,000	20.1	TR
8. Braniff Airways Inc	BRANIFF INTERNATIONAL CORP	549,966	75.66	506,422	236,352	46.7	TR. Legal Counsels: Arnold & Porter, DC–$743; Clark, West, Keller, Sanders & Butler, TX–$111; Cox, Smith, Smith, Hale & Guenther, TX–$21.
9. WESTERN AIR LINES INC	–	488,398	78.86	405,826	137,379	33.9	TR
10. CONTINENTAL AIR LINES INC	–	465,925	81.92	687,672	385,809	56.1	TR
11. NATIONAL AIRLINES INC	–	376,910	84.39	542,911	188,580	34.7	TR
12. ALLEGHENY AIRLINES INC	–	372,995	86.84	292,312	164,225	56.2	LS
13. Flying Tiger Line Inc	TIGER INTERNATIONAL INC	186,958	88.06	274,502	80,058	29.2	AC. Legal Counsels: Ginsberg, Feldman & Bress, DC–$534; White & Case, NY–$163; Cravath, Swaine & Moore, NY–$92.
14. Hughes Air Corp	SUMMA CORP (78%)	164,696	89.15	170,462	46,154	27.1	LS. Legal Counsels: Munger, Tolles, Hills & Rickershauser, CA–$59; Koteen & Burt, DC–$56; Andrews, Mosburg & Davis, OK–$34. Other Stockholder Interest: Howard R. Hughes (22%).
15. FRONTIER AIRLINES INC	GENERAL TIRE & RUBBER CO (49.71%)	156,738	90.17	101,794	32,306	31.7	LS
16. NORTH CENTRAL AIRLINES INC	–	151,491	91.17	118,097	41,033	34.7	LS
17. PIEDMONT AVIATION INC	–	133,952	92.05	134,659	86,814	64.5	LS
18. OZARK AIR LINES INC	–	118,565	92.82	97,241	52,338	53.8	LS

Operator	Ultimate Parent[1]	Airline Operating Revenues ($000)	Cumulative % of Total[2]	Airline Assets ($000)	Airline Debt ($000)	Debt/Asset Ratio	Type of Carrier[3] & Additional Information[4]
19. Pacific Southwest Airlines[5]	PSA INC	112,240	93.56	NA	NA	–	IS. Not regulated by CAB.
20. SOUTHERN AIRWAYS INC	–	108,560	94.27	67,653	36,769	54.3	LS
21. Trans International Airlines Inc	TRANSAMERICA CORP	104,634	94.96	170,242	100,143	58.8	SC. Legal Counsels: Burwell & Hanson, DC–$175; Orrick, Herrington, Rowley & Sutcliffe, CA–$90; Gibson, Dunn & Crutcher, CA–$80.
End of CDE Sample Operator List							
22. Seaboard World Airlines Inc	–	98,193		123,057			
23. Texas International Airlines Inc	Jet Capital Corp	92,705		52,993			
24. World Airways Inc	–	84,514		133,527			
25. Overseas National Airways Inc	–	82,725		61,163			
26. Saturn Airways Inc	–	71,914		81,647			

[1] For operators ranked 1 through 21 ultimate parent controls 100% of voting stock unless otherwise indicated.

[2] Percent of total CAB regulated revenues plus revenues of Pacific Southwest Airlines.

[3] AC–All Cargo, IS–Intrastate, LS–Local Service, SC–Supplemental, TR–Trunkline.

[4] Legal counsels listed are those firms which received the largest fees from the airline operator in 1974. All $ figures in thousands.

[5] Operating revenues account for passenger service only, as reported in PSA INC's 10-K Form to the SEC.

SOURCE: Civil Aeronautics Board, *Air Carrier Financial Statistics,* Vol. XXII-4 (December 1974); Form 41 filed with the CAB for year's end 1974.

from 1.4 billion ton-miles to 20.2 billion ton-miles.* During the same period, the number of passengers increased by more than eight times while passenger-miles expanded thirteen-fold (see AL-IV).

During most of the decade 1950-1959, air transportation was primarily an alternative for passengers who had previously travelled via first class railroad and water carrier service. While airlines offered regularly-scheduled coach service as early as 1948, the majority of passenger-miles continued to be generated by first class travellers until 1960 (see Table AL-V). In 1957, airlines for the first time generated more passenger-miles than railroads, buses, and water carriers.[6]

The industry, anticipating continued traffic growth, placed large orders for jets during the mid-1950's. These new jets allowed continued rapid expansion of total available seat-miles during the 1960's.[7] The new planes carried more passengers, faster and farther, at decreasing costs. As a result, airline fares, in constant dollar terms, steadily declined between 1950 and 1970 and the mass market for air transport continued to expand. By 1970, coach- and economy-fare passengers generated more than 80% of the industry's total passenger-miles.

The industry's steady progress was not interrupted until the 1970 recession. During the previous two decades, air traffic grew at an annual rate between 10% and 15%. In 1970, the industry's traffic growth failed to exceed the growth for the general economy for the first time in 33 years.[8] Air traffic now grows at a 4% annual rate, and in 1974, the industry experienced its first absolute traffic decline.[9] Air transportation is now a mature industry that must confront growing financial difficulties (see Section II-E).

B. Traffic Composition

Airlines today are primarily a vehicle for passenger transport. More than 70% of revenue ton-miles were generated by passenger traffic during the last 25 years. Between 1960 and 1970, carriers attempted to improve freight service through the introduction of jet freighters. The annual growth rate of freight service averaged more than 20% between 1960 and 1965, hitting a peak growth rate of 40% in 1965, but expansion slowed down thereafter.[10] Even with the decreasing unit costs made possible by jet freighters, the cost of air freight service remains several times more expensive than competing modes. Airlines generate less than 1% of total intercity freight ton-miles, and freight represents a little more than 20% of total air revenue ton-miles (see Table AL-VI).

Airlines have become the primary means of travel from the United States to the rest of the world, and U.S.-flag carriers account for the bulk of this air traffic (see Table AL-VII). For most major trunk lines, however, international operations are of relatively minor importance. In 1974, international operations generated approximately 20% of total U.S.-carrier passenger-miles, representing a slight decline from prior year figures, with PAN AM and TWA accounting for two-thirds of the passenger-miles flown by U.S. carriers. Internationally-generated revenues as a percentage of total carrier revenues has fallen off between 1950 and 1974, standing at 18% of the total in 1974 (see Table AL-VIII).

C. Labor

As is the case in other transportation modes, labor occupies an important position in the airline industry. Employment costs, including fringe benefits, represented approximately 40% of 1974 operating revenues of trunk line carriers.[11] Between 1960 and 1974, the major carriers' employment increased from 146,739 to 263,369 and productivity expanded at an even faster rate (see Table AL-IX).

A majority of airline employees are represented by unions, and they exercise considerable bargaining strength. Since labor tends to be both highly skilled and ephemeral, producing a service that cannot be stockpiled, strikes have an immediate and large impact on carrier operations. Employees are generally organized along craft lines and are represented by several unions including: International Association of Machinists, Association of Flight Attendants, Air Line Pilots Association, Airline Employees Association, Transport Workers Union, Aircraft Mechanics Association, International Brotherhood of Teamsters, and the Professional Air Traffic Controllers Association. Air traffic controllers are federal employees and bargain with the Civil Service Commission.

To counteract the impact of strikes, scheduled airlines entered into a Mutual Aid Pact which provides financial assistance to carriers affected by work stoppages. Approved by the CAB in 1959, the Mutual Aid Pact has been opposed by all of the major unions as a circumvention of fair bargaining requirements. By 1964, most of the major trunk line carriers had joined the pact, and in subsequent years the CAB and Courts overruled objections to this arrangement. Payments to Mutual Aid Pact members can be substantial; in 1974, for instance, NATIONAL AIRLINES received approximately $42 million as compensation for a 100-day machinists' strike.[12]

D. Technological Change

The most important technological change affecting the industry has been the development of jet aircraft. The introduction of both the early narrow-bodied jets, followed later by the wide-bodied or jumbo jets, have provided the industry with a means to reduce unit costs and increase passenger capacity. The first turbo-jet was introduced into regular passenger service in 1958. These narrow-bodied jets, such as the Boeing 707's and DC-8's, permitted faster transcontinental and transoceanic service. Derivative models of these planes served as the industry's workhorses for nearly a decade. Operating costs were minimized through a number of improvements, including the turbo-fan engines which improved fuel efficiency and increased thrust.

The first Boeing 747 was introduced into regular service in 1970, followed in later years by the Douglas DC-10 and Lockheed L-1011. The wide-bodied jets quickly became the industry's new prize. These planes have the capacity to accomodate from 250 to 350 passengers, compared to passenger capacities of 130 for the 727,

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* Revenue ton-miles is the number of tons carried one mile. This figure measures both freight and passenger traffic. Since 1970, the CAB assigned each passenger a standard weight value of 200 pounds.

145 for the 707, and 150 for the DC-8. More importantly, compared with the older generation of planes, the bigger jets were quieter and more fuel-efficient.

The most recent plane to enter commercial service is the supersonic transport carrier, the Concorde. Jointly developed by British and French manufacturers, the Concorde does not yet appear to have a secure future. Introduced at a time when fuel efficiency is becoming an important requirement for new planes and as tougher environmental standards are being established by government agencies, the 1,350 mph Concorde is less fuel-efficient and noisier than the wide-bodied jets. Consequently, its introduction into this country has been bitterly resisted.

The next line of jets will probably be more efficient and quieter, with less passenger capacity than the present fleet. Through the use of high by-pass engines, which both reduce jet noise and increase fuel efficiency, and the development of improved wing design, which provides more lift on takeoff, the newer planes can be 30% more efficient than previous models.[13] While the technology to develop such planes is available, there is some question whether the U.S. airline industry will be able to finance another round of plane acquisitions.

E. Financial Performance

In contrast to 1966, when the major carriers earned a record high profit of $427 million, airlines were hit hard by the 1970 recession, reporting a $200 million loss for that year. Since that time, the airline industry has been in a precarious financial position. Air transportation is now a mature industry with cyclical earnings and a return on total capital below historical levels (see Table AL-X). While a number of companies continue to be consistently profitable, several large carriers have been pushed perilously close to financial insolvency during the past few years.

A number of factors are responsible for the industry's present financial dilemma. The impact of escalating fuel prices was immediately felt by all carriers, causing burgeoning operating costs. In 1973, jet fuel prices nearly tripled, and, according to one estimate, each 1¢ fuel hike cost the industry $100 million.[14] In addition to the obvious impact of more expensive fuel, which in the long-run is offset through fare increases, the industry faces other, more serious problems.

Functioning within a regulatory climate that largely prevents price competition, airlines have developed the practice of increasing flight frequencies and offering better flight amenities such as movies and food. Because airline consumers desire convenient departure and arrival times as well as flexibility in travel routes, the carriers in a given market which provide the greatest number of flights will tend to draw the majority of the market's traffic. Thus each carrier strives to increase its flight frequencies to raise or maintain its market share.

Flowing from this pattern of competition, the industry greatly increased its overall capacity. Initially, continued growth in traffic was strong enough to absorb expanding capacity. The newer planes, furthermore, permitted carriers to fly profitably at lower passenger capacities. Airlines became highly-leveraged in terms of operational economics—each one point change in passenger load factor (percentage of total available seats actually occupied) represented a change in revenues exceeding $100 million. The 1970 turning point in traffic growth marked the end of successful competition through expanding capacity. Passenger load factors have dropped and planes currently fly a little more than half full (see Table AL-XI). Furthermore, the rather sharp swings in traffic and operating costs had dramatic impact on air carrier finances. Carrier net income is extremely sensitive to slight changes in operating variables such as costs, fares, and traffic volume (see Table AL-XII).

Rapid expansion required enormous capital expenditures in excess of internally-generated finances. In order to secure these funds, airlines have accumulated a large debt—interest expenses increased from $112.1 million in 1965 to more than $400 million by 1974. Debt presently represents more than 60% of capitalization for many larger carriers.[15]

Carriers have also come to rely heavily upon equipment leasing to secure needed funds, and many have a debt plus equity ratio greater than 70/30.[16] Leasing arrangements facilitated equipment acquisitions at a time when many carriers could not easily raise money through loans. Furthermore, leasing arrangements generally carry lower interest charges than those available through more conventional financing arrangements. Insurance companies have been a traditional source of equipment leases. In retaining nominal ownership of the aircraft equipment, the insurance company is allowed to immediately utilize the 7% investment tax credit. In addition to actual lease payments, the creditor receives the added benefit of using depreciation expenses on the equipment as a write-off against other income.

This form of financing may be temporarily unavailable to most carriers. Many companies are no longer able to receive insurance company financing because of deteriorating interest coverage.* While commercial banks have also entered leasing arrangements, it does not appear that airlines will be able to tap this potential source of funds at past levels.

Airlines have taken steps to reverse this situation. Schedules have been pared back and carriers are now promoting new discount fares to improve load factors. In the wake of a traffic upsurge during 1976, the airline industry demonstrated that it is still capable of generating strong earnings.[17] The industry, however, must now prepare for two additional changes. In order to comply with new federal noise standards, carriers must either replace older, narrow-bodied jets, or retrofit engines with noise deadening materials. Either course of action will require substantial expenditures. In addition, airlines may soon have to contend with the vagaries of a more competitive market (see Section III-B).

III. GOVERNMENT INVOLVEMENT

Through the administration of mail subsidies and expenditures for airport and air navigation facilities, the federal government has been the decisive factor in transforming the fledgling industry of the 1920's into a major transportation mode of the 1970's. The industry, as a recipient of federal aid, soon became subject to federal oversight and regulation to insure that safe transportation would be provided at a reasonable cost by an economically stable industry. Several parts of the federal government assume direct responsibility in overseeing the industry, including the Department of Transportation, the Civil Aeronautics Board, and the President of the United States.

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* Under New York State's insurance law, which is generally accepted as the industry standard, insurance companies cannot lend money to corporations with dangerously low interest coverages.

If measured solely by the industry's operational progress, the 50-year period of federal involvement must be judged a success. By the end of 1973, 90% of the world world's general aviation fleet was U.S. manufactured, and the U.S. carried more air travelers than the rest of the world, excluding the U.S.S.R., combined. Aircraft operations at Chicago's O'Hare Airport are approximately equivalent to those of the London, Paris and Rome airports combined.[18]

Recently, however, a growing number of persons have been asking probing questions about the impact of federal regulation. Efforts to modify CAB controls, allowing greater price competition and relaxation of entry restrictions, is gathering greater support within the government. Some form of regulatory change now appears imminent and the impact on the industry will necessarily be great.

A. Department of Transportation

1. Safety Regulation

The Department of Transportation is involved in aircraft safety regulation through the Federal Aviation Administration (FAA). The FAA is principally responsible for promulgating and enforcing safety standards related to equipment, navigation, and pilot licensing. The National Transportation Safety Board, which is an independent government body, is empowered to investigate and determine the cause of aircraft accidents. These functions had been performed by a host of administrative predecessors (see Table AL-XIII). In terms of fatalities per passenger-miles, air transportation has established a safety record superior to that of private automobiles and buses but somewhat below that of passenger train service.[19]

As specified in the Noise Control Act of 1972, the FAA has consulted with the Environmental Protection Agency in formulating tougher aircraft noise standards. Under these new regulations, narrow-bodied jets such as the 707's and DC-8's must either be replaced by quieter planes or retrofited with noise-deadening materials. The federal government has not yet required compliance with these new regulations. However, British and French attempts to land the Concorde—which does not comply with these federal standards—at U.S. airports have strengthened the movement against excessive airport noise. Responding to community pressure, Boston and Los Angeles airports have announced steps to enforce their own noise control standards within the next several years. In turn, the Air Transport Association, which represents the major air carriers, has sought to block these moves through court action.[20] These local initiatives may prompt the federal government to act with greater speed in curbing airport noise.

2. Airway and Airport Development

The federal government has been the principal source of airway and airport development funds. Beginning with the Air Commerce Act of 1926, the government has undertaken a program of airway development which continues to this day. Airways are aerial highways representing clearly defined navigable routes which are subdivided at uniform altitude levels. Federal airway funds are devoted to developing modern navigational systems, such as radar and micro-wave communication, and are also used to employ air traffic controllers, who have been federal employees since 1936.

Early legislation which authorized federal airway funds did not provide for airport assistance. Nevertheless, during the Depression, the government assisted airport development through work relief programs. According to one estimate, 70% of civil airport expenditures were federally-derived between 1933 and 1940.[21] In 1940, Congress made its first airport appropriation, delegating $40 million to the Civil Aeronautics Administration for this purpose. With the passage of the Federal Airport Act of 1946, the federal government made a substantial commitment to aid airport development, providing funds on a matching basis with state governments.

Between 1946 and 1969, more than $2.3 billion was spent under this legislation, with half of this amount consisting of federal money. Seeking to more rapidly develop the national system of airways and airports to accomodate swelling air traffic, Congress passed the Airport and Airway Development Act of 1970. This legislation significantly increased federal expenditures and created an Airport and Airway Trust Fund. Funds are accumulated through a user-charge assessed on passenger tickets (8%), freight (5%), fuel (7¢ per gallon), and international departures ($3 charge). Between 1970 and 1975, federal airport and airway expenditures exceeded that spent during the previous 25 years.[22]

Although financed through user-charges, studies suggest that costs are not equitably shared. It is estimated that a fair distribution of costs based on use would be allocated as follows: 50% by air carriers, 30% by general aviation, and 20% by military transport. Based upon actual 1973 payments into the Trust Fund, however, air carriers contributed 95% of their share while general aviation users paid only 17% of theirs.[23]

B. Civil Aeronautics Board

From its inception, the CAB has had to both subsidize and regulate the airline industry. The consolidation of these administrative functions within one body reflects the two-fold purpose of federal regulation: the promotion of air transportation and prevention of anticompetitive practices. The CAB is presently facing new criticism that its regulation has not worked to insure a sufficiently competitive industry structure.

1. Subsidies

Passage of the Air Mail Act of 1925 ("Kelly Act") provided a struggling airline industry with an important revenues source by authorizing the Post Office to contract with private carriers for air mail service. Air mail contracts became the primary means of economic survival for an industry that was not otherwise commercially viable.

By 1930, the Postmaster General had been given broad authority to fix air mail payments and distribute air routes. By changing the basis for determining these payments, the Postmaster was granted, in effect, the power to subsidize air carrier operations. The system of awarding these contracts was soon changed, however, following the revelation that some payments were made in scandalous excess. After an unsuccessful attempt to have the Post Office again assume direct operation of air mail service, the government accepted competitive bids from private air carriers. The distribution of these contracts established both the corporate and route structure still basic to today's industry.

The Civil Aeronautics Authority was created in 1938 to regulate air carriers in a manner similar to the ICC's regulation of surface transportation. In 1940, the Authority was reorganized into the Civil Aeronautics Board, assuming among its functions the administration of mail subsidies. The Board both established the actual cost of providing mail services, which is paid by the Post Office, and determined whether a carrier was eligible for subsidy support, which is administered by the Board. The subsidy element of mail payments did not become clearly identified until 1953.

Between 1939 and 1974, air carriers received financial support amounting to approximately $1.9 billion. The bulk of this money was initially distributed to domestic and international trunk line carriers. By 1955, however, most subsidy payments went to support the operations of local service carriers, which have since received nearly 60% of the 1939-1974 total (see Table AL-XIV). Domestic trunk lines have generally operated subsidy-free since 1960, although one New England carrier, whose operations resembled those of a local carrier, received financial support from 1964 to 1968. International carriers have operated without subsidy support since 1958.

For the past 10 years, the CAB has distributed subsidies that averaged a little more than $60 million annually. These funds principally support unprofitable local service. Recently, however, several major air carriers, including TWA, PAN AM, and EASTERN, have requested either temporary or permanent subsidy support. The Board has thus far refused such requests which, if granted, would increase the magnitude of present payments.[24]

2. Economic Regulation

Airline regulation was instituted in 1938 under the Civil Aeronautics Act. Government regulation was advanced as a means to prevent predatory competition and help promote national air transportation. The CAB was empowered to regulate the industry as a public utility, with authority to control market entries and establish uniform prices. After nearly 40 years of CAB regulation, the contemporary airline industry has been shaped by government intervention.

CAB regulation is now under new scrutiny and it is probable that some form of deregulation will be enacted. Critics argue, in essence, that the airline industry is not a natural monopoly like the electric utility or telephone industries. Many firms can, and to a limited extent do, compete to serve the same market. In adopting a policy that sets uniform fares, they assert, the CAB encourages wasteful competition, as carriers fight for larger shares by increasing the number of flights and developing more attractive "frills." The consumer must pay higher fares to cover the costs of flying planes with many empty seats.

Pointing to the unregulated intrastate markets in Texas and California, where carriers operate at higher load factors and fares are 30 to 40% below those of CAB-carriers, these critics argue that deregulation of interstate transportation will force carriers to operate more efficiently, resulting in lower fares.

In response, many in the airline industry present a counter-argument that less federal regulation will lead to cut-throat competition, poorer service, and a financial shakeout resulting in the domination of the industry by a few large carriers. Furthermore, they assert, lower fares will not lead to marked increases in traffic, causing lower load factor yields that will offset increased operating capacities. Given the financial instability associated with a more competitive industry structure, carriers will find it increasingly difficult to raise adequate outside finances.

The movement to introduce more competition in the industry has been building for several years. Congress has on several occasions passed legislation instructing the CAB to admit new carriers into the air transportation market. In 1955, legislation was enacted which authorized permanent certification of local carriers. In 1962, the CAB was instructed to grant permanent operating certificates to charter airlines. More recently, the Board has removed some of its charter restrictions, again in response to congressional pressure.

The deregulation advocates are gathering increasing strength, bolstered both by a Senate Subcommittee investigation of CAB regulation and a General Accounting Office report estimating that consumers would have saved nearly $2 billion a year between 1969 and 1974 had federal controls been lifted.[25] The Chairman of the CAB has also come out in support of some form of regulatory flexibility, and UAL INC, breaking an otherwise solid industry front, announced its general agreement with attempts to introduce more competition.[26] With the Carter Administration also in favor of some deregulation, chances have improved considerably that some change will occur before the end of 1977. Hence, the airline industry may become the first successful target of those seeking to alter the traditional regulation of transportation.

C. Presidential Review

The CAB has the power to award international routes to U.S. carriers and grant domestic flying rights to foreign-flag airlines. These decisions, however, must be submitted to the President for final approval. Consequently, international aviation policy is not determined through normal regulatory procedures, but is submitted to the Chief Executive for evaluation of possible defense and foreign policy implications. In fact, since these decisions frequently determine which U.S. carrier will service a particular international route, presidential intervention has often meant the introduction of partisan politics.

Several presidents, including Truman, Eisenhower, Johnson, and Nixon, have been accused of overruling CAB recommendations due to political considerations. It was not known whether the Presidents' decisions were in agreement with those of the Board's, whose submitted recommendations were not made public. Groups ranging from the American Bar Association to the Aviation Consumer's Project have argued that this procedure was unsound. Consequently, President Ford issued a 1976 executive order which requires that CAB recommendations be publicly disclosed.[27]

NOTES

1. Civil Aeronautics Board, *Supplement to the Handbook of Airline Statistics, 1975 Edition,* pp. 7 and 39.

2. U.S. Department of Commerce, Bureau of the Census, *Statistical Abstract of the United States, 1975,* Washington, DC: U.S. Government Printing Office, Table 990, p. 590.

3. Civil Aeronautics Board, Bureau of Operating Rights, Standards Division, *A Profile of Airline Service in the 48 Contiguous States, May 1, 1973,* Washington, DC: December 1974, Table 1.

4. Staff Report of Civil Aeronautics Board, Bureau of Operating Rights, "The Domestic Route System, Analysis and Policy Recommendations," October 1974, p. 1, cited in *Civil Aeronautics Board Practices and Procedures,* Report of the Subcommittee on Administrative Practices and Procedures, Committee on the Judiciary, U.S. Senate, p. 29.

5. Civil Aeronautics Board, *Handbook of Airline Statistics, 1973 Edition,* Table 70, p. 78.

6. Ibid., p. 501.

7. Between 1950 and 1970, total available seat-miles of scheduled carriers nearly doubled every five years. Ibid., p. 22.

8. Ibid., p. 509.

9. Civil Aeronautics Board, *Supplement, 1975,* p. 159.

10. Civil Aeronautics Board, *Handbook, 1973,* p. 39.

11. Civil Aeronautics Board, *Supplement, 1975,* pp. 45 and 149.

12. "National's Bold Stab at Avoiding Strikes," *Business Week,* October 13, 1975, p. 40.

13. "Nation's Airlines Face a Key Problem: How to Pay for New Planes," *Wall Street Journal,* October 22, 1976, p. 1.

14. "Airlines Find Skies Brighter but Still Cloudy," *New York Times,* April 30, 1976.

15. Civil Aeronautics Board, *Supplement, 1975,* p. 81.

16. "Time to Fasten Seat Belts?", *Forbes,* October 15, 1976, p. 42.

17. "Traffic Surge Means Profits for Airlines and Some Difficulties for the Passengers," *Wall Street Journal,* December 29, 1976.

18. Statement of James E. Dow, Acting Administrator, Federal Aviation Administration, in *Department of Transportation and Related Agencies Appropriations for Fiscal Year 1976,* Hearings before the Committee on Appropriations, U.S. Senate, p. 577.

19. Ibid., p. 578.

20. "A Muffler on Airport Noise," *Business Week,* February 9, 1976, p. 46.

21. Dudley F. Pegrum, *Transportation Economics and Public Policy,* p. 494.

22. James E. Dow, in *Department of Transportation and Related Agencies,* p. 573.

23. Ibid., pp. 604-605.

24. For example, EASTERN AIRLINES INC filed a petition on January 23, 1976 requesting $120.6 million in temporary subsidy support and also asked for a final subsidy rate of $218.5 million annually. Civil Aeronautics Board, "Subsidy for United States Certificated Air Carriers," mimeographed, March 1976.

25. "Federal Controls on Airlines Seen Increasing Fares," *New York Times,* February 24, 1977.

26. "The Odds Look Good for Less Airline Regulation," *Business Week,* March 21, 1977.

27. "Commentary: The Air Rules Need a Change," *New York Times,* August 8, 1976, Section 3, p. 2.

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TABLE AL-I. Concentration of Passenger Boardings Among Large Traffic Hubs, 1974

Community[1]	Passenger Boardings[2]	Cumulative Percent of Total[3]
1. Chicago	16,536,888	8.32%
2. New York	13,877,447	15.30
3. Atlanta	12,626,640	21.66
4. Los Angeles/Burbank/Long Beach	9,346,946	26.35
5. Dallas and Ft. Worth	7,224,988	29.98
6. Washington, DC	6,581,616	33.29
7. Miami/Ft. Lauderdale	6,471,660	36.55
8. San Francisco/Oakland	6,500,683	39.80
9. Denver	5,379,949	42.49
10. Boston	4,960,932	44.99

1. All of the above named communities, except for Denver, Atlanta, and Boston, include operations of more than one airport.

2. Includes total number of passengers boarding aircraft on originating, stop-over, and transfer flights.

3. Total represents all passenger boardings performed at CAB-defined traffic hubs.

SOURCE: Civil Aeronautics Board, *Supplement to Handbook of Airline Statistics, 1975 Edition,* p. 154.

TABLE AL-II. Concentration of Passenger Miles Transported by Scheduled Airlines, 1974

Carrier	Passenger-Miles	Cumulative Percent of Total
1. United Air Lines Inc	29,296	16.64%
2. TRANS WORLD AIRLINES INC	22,912	29.66
3. AMERICAN AIRLINES INC	21,487	41.86
4. PAN AMERICAN WORLD AIRWAYS INC	20,150	53.31
5. EASTERN AIR LINES INC	17,970	63.52
6. DELTA AIR LINES INC	16,151	72.69
7. NORTHWEST AIRLINES INC	9,962	78.35
8. WESTERN AIR LINES INC	6,747	82.18
9. Braniff Airways Inc	6,464	85.85
10. CONTINENTAL AIR LINES INC	5,670	89.08
11. NATIONAL AIRLINES INC	4,147	91.43
12. ALLEGHENY AIRLINES INC	3,415	93.22

NOTE: Passenger miles are in millions and represent both scheduled and charter operations of certificated carriers.

SOURCE: Civil Aeronautics Board, *Supplement, 1975,* pp. 7-24.

TABLE AL-III. Relative Importance of Non-Transportation Activity for Select Diversified Airlines, 1974

Company	Percent of 1974 Revenues	Percent of 1974 Income[1]
AMERICAN AIRLINES INC	10.9%	2.7%
BRANIFF INTERNATIONAL CORP	.6	NA
CONTINENTAL AIR LINES INC	2.4	NA
PAN AMERICAN WORLD AIRWAYS INC	6.8	6.3
PSA INC	7.4	(379.0)
TIGER INTERNATIONAL INC	45.3	(106.9)
TRANS WORLD AIRLINES INC	29.2	152.0
UAL INC	6.2	13.3

1. Income may be operating, net, pretax, etc. Refer to CDE Corporate Profiles for type of income used by each company.

SOURCE: CDE Corporate Profiles.

TABLE AL-IV. Select Operating Statistics for Scheduled Airlines, 1950-1974

Year	Operating Revenues	Revenue Ton-Miles[1]	Passengers Carried	Passenger-Miles
1950	$ 840	1,398	19	10,243
1955	1,643	3,088	42	24,351
1960	2,884	5,024	62	38,863
1965	4,958	9,895	103	68,676
1970	9,290	20,186	169	131,710
1971	10,046	20,906	173	135,658
1972	11,163	22,805	191	152,406
1973	12,210	25,613	202	161,957
1974	14,098	25,375	207	162,917

1. Ton-miles is the number of tons carried one mile. This figure measures both freight and passenger traffic. Since 1970, the CAB assigned each passenger a standard weight value of 200 pounds.

NOTE: All figures in millions.

SOURCE: Civil Aeronautics Board, *Handbook of Airline Statistics, 1973 Edition*, pp. 12, 16 and 69; idem, *Supplement, 1975*, pp. 7 and 45.

TABLE AL-V. Relative Importance of Economy Plus Coach Fare, 1950-1974

Year	Percent of Passenger-Miles	Percent of Revenues
1950	NA	NA
1955	39.1%	33.5%
1960	53.0	44.7
1965	74.9	68.5
1970	82.9	75.5
1971	83.8	77.1
1972	83.7	76.8
1973	83.7	77.0
1974	82.7	76.4

SOURCE: Civil Aeronautics Board, *Handbook, 1973*, pp. 34, 79, and 87; idem, *Supplement, 1975*, pp. 7 and 45.

TABLE AL-VI. Percent Distribution of Airline Revenue Ton-Miles, 1950-1974

Year	Passenger[1]	Freight[2]	Mail[3]
1950	71.6%	20.5%	5.3%
1955	78.8	16.3	4.9
1960	77.4	17.5	5.0
1965	72.0	22.9	5.0
1970	73.5	19.1	7.4
1971	71.5	22.2	6.3
1972	71.9	22.8	5.3
1973	72.9	22.1	5.1
1974	72.8	22.3	4.9

1. Includes excess baggage.
2. Includes express traffic.
3. Includes both U.S. and foreign mail.

NOTE: Total may not add up to 100% due to rounding.

SOURCE: Civil Aeronautics Board, *Handbook, 1973*, pp. 19, 37, and 50; idem, *Supplement, 1975*, p. 7.

TABLE AL-VII. U.S.-Flag Carrier Share of Total Air Passengers Travelling Between the United States and the Rest of the World, 1955-1974

Year	Total Air Passengers	U.S.-Flag Passengers	U.S. Percent of Total
1955	2,206	1,508	68.4%
1960	4,576	2,505	54.7
1965	8,227	4,032	49.0
1970	17,667	9,626	54.5
1971	19,565	11,064	56.5
1972	22,277	12,082	55.7
1973	26,053	14,134	54.3
1974	26,672	14,514	54.4

NOTE: Figures for passengers in millions. Does not include travel between the United States and Canada. Prior to 1958, travel between the United States and Mexico was also not included.

SOURCE: Civil Aeronautics Board, *Handbook, 1973*, p. 609; idem, *Supplement, 1975*, p. 191.

TABLE AL-VIII. Percent of Airline Revenues Generated by International Traffic, 1950-1974

		INTERNATIONAL TRAFFIC	
Year	Total Revenues	Revenues	Percent of Total
1950	$ 840,213	$ 261,486	31.12%
1955	1,643,412	404,374	24.64
1960	2,884,277	705,938	37.46
1965	4,957,851	1,267,066	25.56
1970	9,289,658	2,109,497	22.71
1971	10,045,578	2,292,304	22.82
1972	11,163,270	2,511,528	22.50
1973	12,418,777	2,724,771	21.94
1974	14,702,563	3,157,431	21.48

NOTE: Revenues in millions. Includes both regularly scheduled and charter operations of certificated carriers.

SOURCE: Civil Aeronautics Board, *Handbook, 1973*, p. 69; idem, *Supplement, 1975*, p. 45.

TABLE AL-IX. Employment, Productivity, and Unit Labor Costs of Major Trunk Carriers, 1960-1974

Year	Employment	Productivity[1]	Unit Labor Costs[2]
1960	146,379	30,241	24.5¢
1965	173,642	49,779	18.8
1966	195,306	55,001	17.6
1967	228,808	60,836	17.2
1968	253,603	63,295	17.7
1969	269,884	64,439	18.9
1970	267,159	65,932	20.9
1971	258,455	70,747	21.2
1972	257,403	77,395	21.4
1973	271,220	77,359	22.7
1974	263,369	79,225	24.4

1. Revenue ton-miles per employee.
2. Employment cost per revenue ton-mile.

SOURCE: Civil Aeronautics Board, *Handbook, 1973*, p. 464; idem, *Supplement, 1975*, p. 149.

TABLE AL-X. Select Financial Statistics, 1965-1974

Year	Operating Profit[1]	Net Income[2]	Return on Investment[3]
1965	$671,928	$367,119	12.51%
1966	775,497	427,633	10.36
1967	708,194	415,388	7.96
1968	504,888	209,952	5.20
1969	387,454	52,723	3.81
1970	43,031	(200,503)	1.73
1971	328,475	28,006	3.78
1972	584,470	214,850	5.74
1973	585,266	221,863	6.05
1974	724,697	321,641	7.26

1. Operating revenues less operating expenses.
2. After income taxes and special items.
3. CAB-defined return on total capital.

NOTE: Figures in thousands.

SOURCE: Civil Aeronautics Board, *Handbook, 1973*, pp. 215 and 411; idem, *Supplement, 1975*, pp. 45 and 165.

TABLE AL-XI. Passenger Load Factors and Available Seat-Miles, 1950-1974

Year	Available Seat-Miles[1]	Passenger Load Factor[2]	Revenue Per Load Factor Point
1950	16,841,574	60.8%	$ 10,000
1955	38,574,183	63.1	21,621
1960	65,567,308	59.3	40,269
1965	124,319,945	55.2	72,996
1970	265,119,871	49.7	153,457
1971	279,823,351	48.5	169,491
1972	287,418,098	53.0	174,931
1973	310,597,107	52.1	197,204
1974	297,004,332	54.9	216,379

1. Aircraft miles times the number of available seats per flight.
2. Available seat-miles divided by passenger-miles.

NOTE: Figures in thousands.

SOURCE: Civil Aeronautics Board, *Handbook, 1973*, pp. 22, 26, and 83; idem, *Supplement, 1975*, pp. 7 and 45.

TABLE AL-XII. Sensitivity Analysis of Airline Industry Operating Leverage, 1974

		EFFECT OF A 1% INCREASE IN:		
TRAFFIC DATA	**1974 Actual**	**Revenue Ton-Miles**	**Revenue Per Ton-Mile**	**Expense Per Available Ton-Mile**
Revenue Ton-Miles	23.90	24.14	23.90	23.90
Available Ton-Miles	48.94	48.94	48.94	48.94
Load Factors (%)	48.8	49.3	48.8	48.8
Average Revenue per Revenue Ton-Mile (¢)	61.5	61.5	62.1	61.5
Average Operating Expense Per Available Ton-Mile (¢)	28.6	28.6	28.6	28.9
FINANCIAL DATA				
Operating Revenues	$14,702.6	$14,846.1	$14,841.9	$14,702.6
Operating Expenses	13,977.9	13,977.9	13,977.9	14,143.7
Operating Profit	724.7	868.2	864.0	558.9
Interest Expense	420.0	420.0	420.0	420.0
Net Income (Pretax)	304.7	448.2	444.0	138.9
Taxes (at 48%)	146.3	215.1	213.1	66.7
Net Income (Calculated)	158.4	233.1	230.9	72.2

NOTE: Revenue ton-miles and available ton-miles in billions. Financial data in millions. The constant 48% statutory tax rate is used only to provide comparability to focus analysis. This is not an attempt to predict the actual effect of operating variables upon the airline industry's real profits. Figures for 1974 may not compute due to rounding.

SOURCE: Figures for 1974 taken from Civil Aeronautics Board, *Supplement, 1975*, pp. 7 and 45.

TABLE AL-XIII. Chronology of Government Involvement in Air Transportation, 1916-1972

Date	Event	Comment
1916-1920	Congressional Appropriations	Post Office given money to experiment with air mail transportation including the purchase, operation, and maintenance of planes.
1925	Air Mail Act of 1925 ("Kelly Act")	Post Office authorized to contract with private carriers for air mail service.
1926	Air Commerce Act of 1926	Department of Commerce empowered to promulgate and enforce air safety standards. Department also assists airway development.
1930	Watres Act	Post Office given broad authority to fix mail contract rates and award routes. New basis for mail pay amounts, in effect, to subsidization of private carriers.
1934	Presidential Executive Order	In response to disclosure of air mail contract scandals, President orders Post Office to cancel all existing contracts and directs the War Department to assume air mail service.
1934	Air Mail Act of 1934	Air mail service contracts are distributed to private carriers through competitive bids. Aircraft manufacturers ordered to divest themselves of their airline interests. Interstate Commerce Commission empowered to regulate mail contract rates.
1936	Amendment to Railway Labor Act of 1926	Aircraft become subject to provisions of Act providing federal mediation.
1938	Civil Aeronautics Act of 1938	Civil Aeronautics Authority created as an independent regulatory agency empowered to regulate industry as public utility. Also assumes air safety responsibilities.

Date	Event	Comment
1940	Presidential Order	In an administrative reorganization, the Civil Aeronautics Authority becomes the Civil Aeronautics Board (CAB) and remains an independent regulatory agency. A Civil Aeronautics Administration created within the Department of Commerce with power to promote airway development and enforce safety standards.
1940	Congressional Appropriation	Congress appropriates $40 million for airport development to be administered by the Civil Aeronautics Administration.
1946	Federal Airport Act of 1946	Provides federal funds for airport development on a matching basis with state governments.
1953	Reorganization Plan No. 10	CAB is instructed to identify subsidy element contained in mail payments. The CAB pays the subsidy while the Post Office pays the service charge, which is determined by the Board.
1955	Congressional Bill	Local service carriers are granted permanent operating certificates.
1956	Amendment to Civil Aeronautics Act of 1938	Intra-Alaska and intra-Hawaii carriers are granted permanent operating certificates.
1958	Federal Aviation Act of 1958	Civil Aeronautics Authority becomes the Federal Aviation Administration.
1962	Public Law 87-528	Congress authorizes the permanent certification of charter airlines.
1966	Department of Transportation Act	CAB's accident investigation authority transferred to National Transportation Safety Board within the Department of Transportation.
1970	Airport and Airway Development Act of 1970	Provides for substantial increase in federal airport and airway support. Airport and Airway Trust Fund created, financed through user-charges.
1972	Noise Control Act of 1972	Federal Aviation Administration instructed to consult with Environmental Protection Agency in devising new airport noise standards.

NOTE: Revenue ton-miles and available ton-miles in billions. Financial data in millions. The constant 48% statutory tax rate is used only to provide comparability to focus analysis. This is not an attempt to predict the actual effect of operating variables upon the airline industry's real profits.

Figures for 1974 may not compute due to rounding.

SOURCE: Civil Aeronautics Board, *Handbook, 1973,* pp. 555-560.

TABLE AL-XIV. Airline Subsidy Support, 1939-1974

Five-Year Period	Total	Local Carriers	International Carriers	Domestic Trunk Carriers	Other[1]	Five-Year Annual Average
1939-1944	$ 95,566	–	$ 60,821	$ 34,023	$ 722	$19,113
1945-1949	210,724	$ 26,562	63,205	108,501	12,456	42,145
1950-1954	336,115	97,308	57,215	149,304	32,288	67,223
1955-1959	234,097	144,077	9,619	22,203	58,198	46,819
1960-1964	382,742	305,844	–	2,566	74,332	76,548
1965-1969	313,879	263,566	–	10,384	39,929	62,776
1970-1974	304,285	281,802	–	–	22,483	60,857
Total	$1,877,408	$1,119,159	$203,810	$314,031	$240,408	–

1. Includes Alaskan and Hawaiian carriers as well as helicopter operators.

NOTE: Figures in thousands.

SOURCE: Civil Aeronautics Board, *Subsidy for United States Certificated Air Carriers,* March 1974; idem, "Subsidy for United States Certificated Air Carriers," mimeographed, March 1975; idem, "Subsidy for United States Certificated Air Carriers," mimeographed, March 1976.

Natural Gas Pipelines

I. INDUSTRY STRUCTURE

A. Classifications

The natural gas industry consists of three distinct segments: production, transmission, and local distribution. Exploration, drilling, gathering, and processing of natural gas is performed by producers which are primarily large integrated oil companies and smaller independent companies. The gas must be processed at the well to remove impurities and extract valuable by-products before it is ready to be transported long distances. Transmission companies (pipelines) then purchase the gas and provide intercity transportation. The gas is delivered and sold to distribution companies (local utilities) which, in turn, market the fuel to industrial, commercial, and residential customers.

Interstate natural gas pipelines, which are regulated by the Federal Power Commission (FPC), are the subject of this introduction. Companies that provide gas transportation entirely within one state (intrastate pipelines) are not federally regulated and are therefore excluded. Presently, a little more than 65% of marketed gas production—defined as production usefully consumed—is transported by federally-regulated companies.

In contrast to other modes of regulated transportation, gas pipelines own the commodities they transport. In addition, they are an integral segment of the natural gas industry. For these reasons, gas pipelines are often classified as public utilities and are excluded from most transportation studies. The transmission segment of the gas industry is included in this Directory so that readers can compare oil and gas pipelines.

B. Transport Geography

Natural gas production is geographically concentrated, with over 80% of 1973 production originating in Texas, Louisiana, and Oklahoma. Other significant producing wells are located in Kansas, New Mexico, and Wyoming. Pipelines extend from these fields to the major consuming regions. Areas east of the Mississippi River draw upon the Texas-Louisiana Gulf Coast reserves. The inland producing areas of North Texas, Oklahoma, and Kansas feed the utility systems in the Midwest, Great Plains, and Mountain states. The Pacific Coast principally depends upon the working fields in west Texas and New Mexico.

Most of this expansive pipeline system was constructed within the past 25 years. Between 1950 and 1974, transmission pipeline mileage increased from 113.1 to 263.5 thousand miles (see Table PG-I). When a Canadian pipeline was extended southward into Vermont in 1966, all 48 lower states received natural gas service. Canada, the largest source of pipeline imports, connects into the U.S. system at several points to provide approximately 5% of domestic consumption. A number of states in the Midwest and Pacific Coast receive significant supplies of Canadian gas.

Major additions to the national system are planned. TENNECO INC has applied for FPC permission to construct a 498-mile pipeline to supply New England with gas imported from Algeria. The most important future pipeline construction, however, involves the enormous Alaskan Prudhoe Bay reserves. Three competing proposals (Alcan Gas Project, Arctic Gas Project, and El Paso Project) place construction costs in the $7-10 billion range. After some delay, an FPC staff study has recommended the Arctic Gas Project, involving 15 U.S. and Canadian companies. In its recommended form, the project would deliver gas from both the Prudhoe Bay and MacKenzie Delta for transmission to U.S. and Canadian users respectively. Construction will not begin until the U.S. Congress and President, as well as the Canadian Government, give final approval.

C. Concentration

At year's end 1974, there were 81 Class A or B companies, with revenues of at least $1 million, reporting to the FPC as interstate pipelines. Most interstate gas transportation, nevertheless, is handled by a dozen large companies. In 1974, the largest operator had 8% of the industry's operating revenues, while the largest 4, 8, and 12 companies had 26.70%, 45.57%, and 60.48% respectively of the total (see Natural Gas Pipeline Operator Chart).

The degree of market concentration is increased when corporate connections are considered. A number of the large operators share common corporate parents through a variety of relationships; public utility holding companies own several major pipelines; and several pipeline companies are subsidiaries or joint ventures of other pipelines. When market shares are calculated by combining the revenues of commonly-owned operators, the largest 4, 8, and 12 companies had 30.54%, 50.51%, and 67.80% respectively of total 1974 revenues (see Table PG-II).

CDE Natural Gas Pipeline Operator Chart: Top 36 Ranked by Revenues, 1974

Operator	Ultimate Parent[1]	Pipeline Operating Revenues ($000)	Cumulative % of Total[2]	Pipeline Assets ($000)	Pipeline Debt ($000)	Debt/ Asset Ratio	Additional Information[3]
1. Columbia Gas Transmission Corp	COLUMBIA GAS SYSTEM INC	941,741	8.09	1,224,202	517,880	42.3	Legal Counsels: Carl F. Arnold, DC–$32; Connole & O'Connell, DC–$21; Hinman, Howard & Kattell, NY–$20.
2. El Paso Natural Gas Co	EL PASO CO	829,434	15.22	1,940,586	983,060	50.7	Legal Counsels: Williams, Connolly & Califano, DC–$696; Mudge, Rose, Guthrie & Alexander, NY–$649; Sullivan & Cromwell, NY–$325; Liddell, Sapp, Zivley & Brown, TX–$308.
3. Tennessee Gas Pipeline Co	TENNECO INC (div.)	745,057	21.62	4,068,081	1,425,660	35.0	
4. Natural Gas Pipeline Co of America	PEOPLES GAS CO	590,695	26.70	1,292,025	600,880	46.5	Legal Counsels: Ross, Hardies, O'Keefe, Babcock & Parsons, IL–$50; Culton, Morgan, Britain & White, TX–$35; Mehaffy, Weber, Keith & Gonsoulin, TX–$30.
5. TEXAS EASTERN TRANSMISSION CORP		569,307	31.59	1,950,720	938,268	48.1	
6. NORTHERN NATURAL GAS CO	–	556,700	36.38	1,519,609	627,806	41.3	
7. Consolidated Gas Supply Corp	CONSOLIDATED NATURAL GAS CO	541,355	41.03	747,974	330,522	44.2	Legal Counsels: Morgan, Lewis & Bockius, PA–$187; Steptoe & Johnson, DC–$108.
8. Michigan Wisconsin Pipe Line Co	AMERICAN NATURAL GAS CO	531,933	45.60	1,161,644	547,261	47.1	Legal Counsels: Sidley & Austin, IL–$208; Shannon & Morley, DC–$94; Mika, Meyers, Beckett & Jones, MI–$93.
9. Transcontinental Gas Pipe Line Corp	TRANSCO COS INC	520,281	50.07	1,422,145	835,180	58.7	Legal Counsels: Gallagher, Connor & Boland, DC–$200; Andrews, Kurth, Campbell & Jones, TX–$102; Cahill, Gordon & Reindel, NY–$83.
10. UNITED GAS PIPE LINE CO	–	453,408	53.97	538,032	221,183	41.1	
11. PANHANDLE EASTERN PIPE LINE CO	–	379,374	57.23	945,040	375,470	39.7	
12. Southern Natural Gas Co	SOUTHERN NATURAL RESOURCES INC	379,371	60.49	760,107	376,301	49.5	Legal Counsels: Hughes, Hubbard & Reed, NY–$172; Patterson, Belknap, Farmer & Shibley, DC–$51; Brown & Wicker, LA–$30.
13. Texas Gas Transmission Ltd	TEXAS GAS TRANSMISSION CORP†	346,108	63.46	645,698	247,637	38.4	
14. LONE STAR GAS CO	–	336,870	66.35	891,920	464,457	52.1	

Operator	Ultimate Parent[1]	Pipeline Operating Revenues ($000)	Cumulative % of Total[2]	Pipeline Assets ($000)	Pipeline Debt ($000)	Debt/Asset Ratio	Additional Information[3]
15. Northwest Pipeline Corp	NORTHWEST ENERGY CO (2-75)	276,401	68.73	389,894	222,702	57.1	Legal Counsels: Cravath, Swaine & Moore, NY–$228; Sutherland, Asbill & Brennan, DC–$119; Pugsley, Hayes, Watkiss, Campbell & Cowley, UT–$109; Cahill, Gordon & Reindel, NY–$84.
16. National Fuel Gas Supply Corp	NATIONAL FUEL GAS CO	244,786	70.83	150,745	61,209	40.6	Legal Counsels: LeBoeuf, Lamb, Leiby & MacRae, NY–NA; McFate, McFate & McFate, PA–NA; McGee & Ketcham, DC–NA.
17. PACIFIC GAS TRANSMISSION CO	PACIFIC GAS & ELECTRIC CO (52.66%)	227,362	72.79	175,901	89,053	50.6	
18. Cities Service Gas Co	CITIES SERVICE CO (88.20%)	216,450	74.65	274,278	65,000	23.7	Other Stockholder Interest: Insurance Co of North America (9.8%), Kaufman & Broad Inc* (2%). Legal Counsels: Littman, Richter, Wright & Talisman, DC–$99; Adams, Jones, Robinson & Malone, KA–$82; Frueauff, Farrell, Sullivan & Bryan, NY–$15.
19. Trunkline Gas Co	PANHANDLE EASTERN PIPE LINE CO	208,448	76.44	601,690	328,773	54.6	Legal Counsels: Henderson, Daily, Foxworthy & Van Winkle–$7; Campbell, Delong, Keady, Robertson & Hagwood–$5.
20. ARKANSAS LOUISIANA GAS CO	–	204,469	78.20	585,070	265,863	45.4	
21. WASHINGTON GAS LIGHT CO	–	184,254	79.78	399,866	199,040	49.8	
22. ALGONQUIN GAS TRANSMISSION CO	–	178,112	81.31	219,424	125,620	57.2	
23. Transwestern Pipeline Co	TEXAS EASTERN TRANSMISSION CORP (99.35%)	172,669	82.79	332,261	126,767	38.2	Legal Counsel: Vinson, Elkins, Searls, Connally & Smith, TX–$123.
24. Colorado Interstate Corp	COASTAL STATES GAS CORP	172,093	84.27	396,153	141,813	35.8	Legal Counsels: Chapman, Duff & Lenzini, DC–$153; Shea, Gould, Climenko & Kramer, NY–$86.
25. MIDWESTERN GAS TRANSMISSION CO	TENNECO INC (83.62%)	170,916	85.74	118,542	36,579	30.9	
26. Mississippi River Transmission Corp	MISSISSIPPI RIVER CORP†	141,516	86.96	176,143	94,805	53.8	Legal Counsels: Bedwell & Mullally (and partners), DC–$118; Littman, Richter, Wright & Talisman, DC–$49.
27. Columbia Gulf Transmission Co	COLUMBIA GAS SYSTEM INC	125,304	88.03	481,258	228,762	47.5	Legal Counsels: Huddleston & Loy–$2; Gray, Woods & Cooper–$2.
28. Sea Robin Pipeline Co	SOUTHERN NATURAL RESOURCES INC* (50%) UNITED GAS PIPE LINE CO* (50%)	118,018	89.05	169,461	78,672	46.4	Legal Counsel: Baker & Botts, TX–$80.

Operator	Ultimate Parent[1]	Pipeline Operating Revenues ($000)	Cumulative % of Total[2]	Pipeline Assets ($000)	Pipeline Debt ($000)	Debt/Asset Ratio	Additional Information[3]
29. Great Lakes Gas Transmission Co	AMERICAN NATURAL GAS CO (50%) TRANSCANADA PIPELINES LTD (50%)	112,936	90.02	336,599	220,00	63.4	Legal Counsels: Ross, Marsh & Foster, DC–$60; Mika, Meyers, Beckett & Jones, MI–$23; Borden & Elliot, Canada–$11.
30. EQUITABLE GAS CO	--	109,597	90.96	261,779	127,203	48.6	
End of CDE Sample Operator List							
31. Florida Gas Transmission Co	Florida Gas Co	104,276		273,162			
32. Mountain Fuel Supply Co	–	82,783		251,059			
33. Kansas-Nebraska Natural Gas Co Inc	–	81,218		209,827			
34. Iowa-Illinois Gas & Electric Co	–	77,846		398,790			
35. Southwest Gas Corp	–	72,846		124,582			
36. Cascade Natural Gas Corp	–	68,385		106,723			

* Control over operator is exercised through one or more intermediaries.

† See diagram of control structure in Part Two.

[1] For operators ranked 1 through 30 ultimate parent controls 100% of voting stock unless otherwise indicated.

[2] Percent of Class A and B revenues, which represent 99% of total regulated revenues.

[3] Legal counsels listed are those firms which received the largest fees from the pipeline operator in 1974. All $ figures in thousands.

SOURCE: Federal Power Commission, *Statistics of Interstate Natural Gas Pipeline Companies, 1974;* Form No. 2 filed with the FPC for year's end 1974.

FPC regulation of natural gas producers has been one of the primary features of federal control of gas transportation. Market concentration in the gas production segment of the industry, therefore, is relevant to the pipeline industry. For the most part, large, integrated oil companies provide the gas sold to interstate pipelines. Measured in volume of gas sales to pipeline companies, the largest 4, 8, and 12 producing companies had 24.48%, 42.01%, and 53.11% respectively of the total 1974 market (see Table PG-III).

D. Corporate Structure

Since they require large capital investments, natural gas pipelines are predominantly publicly-held or subsidiaries of public corporations. One of the more important aspects of the industry's corporate structure in recent years has been diversification, which is, in part, a response to the uncertainties surrounding future gas supplies for the interstate market (see Section II-B).

Vertical integration, the expansion into at least two of the three segments of the industry, is not an entirely new phenomenon. For a number of years, several pipeline companies have operated as subsidiaries of gas distributors or producers (e.g., Pacific Gas Transmission and Cities Service Gas Co). A number of pipelines own gas-producing properties or have established producing affiliates. The percentage of the total interstate domestic gas supply represented by pipeline production has declined during the past 10 years, accounting for approximately 6% of the total in 1971.[1] To secure an adequate gas supply, interstate companies are now aggressively expanding their gas-producing capacity.[2]

Diversification has also taken other directions, indirectly related to gas transportation. In a survey, the FPC found the most common areas of diversification to be gas and oil production, plastics, chemicals, fertilizers, and local gas distribution. A handful of companies, however, have branched out into unrelated areas. The most extreme example is TENNECO INC which derived 82% of its 1974 revenues from non-pipeline sources (see individual company profiles).

Pipeline diversification raises the question of vertical integration and its potential for price abuses. However, these difficulties are mitigated by the nature of federal regulation; the FPC controls prices from the producing field until the gas is sold to a local utility. If federal deregulation of gas production is enacted, integration of pipelines back into production will present a different problem.[3]

II. ECONOMIC DYNAMICS

A. Historical Background

The discovery of natural gas predates its early application in the United States by several centuries. In this country, the first natural gas well was discovered in Fredonia, N.Y. in 1821. It was, however, the commercial exploitation of oil in the following decades that led to the discovery of large gas reserves in the "Appalachian Fields."

Originally viewed as a relatively valueless by-product of oil drilling, the gas was largely disposed of through venting or burning off. Its commercial significance was soon appreciated and it was employed for illumination and heating. However, an efficient and inexpensive transportation technology had to be perfected before gas consumption could be extended beyond the immediate vicinity of the wells.

The construction of long-distance transmitting pipelines opened new markets for the fuel. The first "major" pipeline was constructed in Pennsylvania during 1872, transporting gas five miles into the town of Titusville. Truly long distance pipelines did not become a reality until the development of new construction techniques during the late 1920's (e.g., electrical welding). Thereafter, natural gas became a major fuel source capable of satisfying a growing part of the nation's energy demand.

Between 1930 and 1950, pipeline mileage more than doubled and natural gas consumption increased to 20% of the national energy demand. To meet the acute energy needs of the Northeast during World War II, the government initiated construction of two large-diameter oil pipelines known as "Big Inch" and "Little Big Inch." In 1946, these same lines were sold to a new corporation, TEXAS EASTERN TRANSMISSION, and converted into a natural gas transport system. These large-diameter, long-distance pipelines effectively linked the Northeast to the Texas and Louisiana reserves, at a fraction of the previous cost.

From 1950 to 1970, the increased construction of transmission pipelines brought gas into all major regions. By the end of this period, total gas pipeline mileage nearly tripled, amounting to more than 900,000 miles, and transmission trunk miles increased twofold (see Table PG-I). The expanded transport capacity spurred gas exploration and drilling, with proved reserves growing from 184 trillion cubic feet (tcf) to 290 tcf (see Table PG-IV).

Natural gas currently supplies 35% of the country's energy requirements, making it second only to oil (see Table PG-V). More importantly, natural gas provides more than half of the energy consumed by non-transportation users.[4] However, natural gas production and total proved reserves have both fallen off in recent years. The "natural gas shortage" and its proposed resolution is now the major issue confronting the industry, government, and consumers (see Section II-B).

B. Market Trends

1. Physical Properties

Natural gas possesses important relative fuel advantages. It is extremely efficient, with nearly 70% of its wellhead heat content utilized in residential heating. In comparison, the utilization rate for both oil and coal is approximately 50% (see Table PG-VI). Furthermore, natural gas is exceptionally clean, since the extraction of valuable by-products in the field involves the removal of sulphur, water, and non-combustible gases.

2. Transportation Costs

Natural gas is less expensive to produce than oil but costs several times as much to transport. By nature it is a bulky fuel that must be compressed during transportation and storage. At atmospheric pressure, natural gas contains from .1% to .3% of the heat content of a solid or liquid fuel of equal volume. Even at a pressure of 600 pounds per square inch, the usual condition during pipeline transportation, one cubic foot of gas contains only 6% to 7% as much energy as one cubic foot of coal. Transportation costs account for 50% to 80% of the final gas price. During fiscal year 1974, on the average, interstate pipelines bought their gas at 24.41¢ per thousand cubic feet (mcf), and sold it to distributors for 54.46¢ per mcf, while consumers (residential, industrial, and commercial) paid 73.01¢ per mcf.[5]

Fixed expenses account for the greatest percentage of total pipeline costs. Approximately 90% of transmission costs are represented by depreciation, taxes, and return on plant investment. Maintenance and operating costs, which vary in part with the quantity of gas transported, make up the remaining expenses. Pipelines are most efficient when operating under conditions of full utilization (high load factor). The cost of transporting gas at a 50% load factor is nearly twice that, per mcf, when gas is transported by a pipeline operating at 100% of capacity.[6]

To achieve a high load factor, buying and selling of gas is made according to 15- to 25-year contracts between producer-pipeline and pipeline-distributor. Under these agreements, the producer is committed to supply the pipeline with a specified quantity of gas, while the pipeline is similarly obligated to provide distributors with a definite gas supply. Failure to accept or deliver contract-stipulated gas can result in penalty payments. Furthermore, the contracts contain escalator clauses providing for periodic price increases.*

3. Consumption Patterns

During the 25-year period beginning in 1950, the consumption of natural gas increased fourfold, while revenues generated from these sales multiplied nearly 15 times (see Table PG-VII). Abundant supplies of the fuel at relatively low prices provided the foundation for the expansion of the natural gas market. Consumption patterns revealed a shift by industrial, residential, and commercial users away from other, more expensive fuels to natural gas. In 1974, for example, the average annual retail price of natural gas was $1.42 per million British Thermal Units (mmbtu), compared to $8.29 per mmbtu for electricity and $2.59 per mmbtu for no. 2 fuel oil (see Table PG-VIII).

In terms of volume consumed, industrial users account for 51% of the 1974 total; 30% was used in residences and 14.3% in commercial establishments. Residential consumers, however, contributed 45% of total 1974 revenues, while industrial and commercial consumers provided 35% and 16% respectively (see Table PG-IX).

A controversial aspect of prevailing consumption is large volume gas sales to industrial users at lower prices. These industrial sales are justified by some on the basis of pipeline economics. Residential and commercial demand is largely seasonal, with gas sales to these consumers dropping off sharply during the warmer months. During the summer, industrial sales help pipelines maintain high load factors throughout the entire year. Without such sales, it is argued, pipelines would operate at lower capacities, resulting in higher transport costs per mcf of gas for residential and commercial users. The Federal Power Commission assigns a low priority to industrial consumption, insuring that other consumers have first access to available supplies during the peak demand season.

Industrial sales are nevertheless opposed by others on the grounds that it is a wasteful use of a precious natural resource. Industrial consumption often occurs under conditions when the relative efficiencies of natural gas are slight or insignificant. In particular, its use as boiler fuel to generate electricity could easily be taken over by a more abundant fuel such as coal. According to this view, more effort should be placed on increasing gas storage capacity in consuming regions, so that during the summer months gas can be transported and stored for eventual use during the winter.

Consumption patterns differ among various regions. In general, producing areas consume more gas, with a greater percentage devoted to industrial applications. The West South Central states, which include Texas and Louisiana, had a per capita consumption of 300.5 mcf in 1973 compared to the national average of 94.5 mcf and New England's consumption of 20.8 mcf. Furthermore, consumption in producing regions is predominantly industrial, representing 80% of total usage. Half of the consumption in the Northeast and Midwest, by contrast, was comprised of residential and commercial use (see Table PG-X).

4. Gas Supply

Perhaps the most important market trend in recent years has been the shrinking gas supply available for interstate transportation. Proved reserves (which represent an estimate of technically and economically recoverable discovered gas) committed to interstate pipelines declined from 198.1 tcf to 134.2 tcf between 1967 and 1973 (see Table PG-XI). The interstate gas shortage can be largely explained by the higher price paid for gas sold on the unregulated, intrastate markets of Texas and Louisiana.

Since 1954, the Federal Power Commission regulated the field price of gas sold to interstate pipelines. This had the effect of keeping prices down and encouraged the developing gas market. Given the abundant gas supply, prices on the unregulated market were at the same level as those on the FPC-regulated market. With the onset of the "energy crisis" during the 1970's, however, unregulated gas prices soared along with those of other fuels. Prior to recent FPC gas hikes, interstate gas sold for 40¢ mcf, compared to $1.80-$2.00 mcf for unregulated gas. Consequently, an increasing portion of new gas discoveries is being diverted to the intrastate market (see Table PG-XII).

Whether the interstate gas shortfalls are part of a national gas shortage is a hotly contested issue. Some critics, including some congressional representatives, contend that producers are "withholding" or "hiding" reserves until prices are decontrolled. On the other hand, those warning of an impending long-term shortage can point to declining national proved reserves. In 1967, estimated proved reserves peaked at 292.9 tcf, declining each year thereafter except for 1970, when Alaska's Prudhoe Bay reserves were added to the national total. According to estimates made by the American Gas Association, there were 237 tcf of proved reserves in 1974, compared to 262 tcf in 1960 (see Table PG-IV).

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* Contract terms require FPC approval. The Commission has the power to alter contract-stipulated gas prices or quantities.

Proved reserves, however, represent only a part of the total potential gas supply. The interpenetration of economic and technical factors will largely determine whether it will be necessary to sharply curtail gas consumption during the next thirty years. For example, a total of more than 500 tcf of gas is known to exist in the relatively impermeable Rocky Mountain reservoir or in coal beds as methane gas. These potential resources are not thought to be recoverable under present technical and economic conditions. Furthermore, the outer continental shelf and other largely undeveloped regions are believed to contain sizeable gas reserves. Estimates of the total ultimate potential supply (proved reserves plus estimated undiscovered recoverable reserves) range from 1,000 tcf to 2,250 tcf.[7]

The natural gas debate ultimately centers around how to discover and exploit these potential gas resources most equitably and efficiently. Federal regulation of gas producers is currently at the forefront of this debate (see Section III-A).

C. Technological Change

The technology of pipeline transport differs significantly from that of other transport modes in that it typically requires less labor. Between 1964 and 1970, regulated gas pipeline employment averaged 38,400 persons, which is only a fraction of railroad, truck, or airline employment.[8] A number of innovations have improved pipeline efficiency, including the use of larger-diameter pipe, more powerful compressors, and higher tensile steel. But it is the development of alternative gas transportation technology that may prove to be the most important factor in the near future.

Production of liquified natural gas (LNG), where the gas is cooled into a liquid state reducing its volume by 99.8%, permits the importation of significant overseas gas supplies. Natural gas is shipped via tanker from the Middle East, with Algeria accounting for 80% of the U.S. LNG imports. These supplies, however, are nearly five times more expensive than domestically produced gas. While LNG imports may prove to be increasingly important, they now represent only about 5% of total consumption.

Synthetic natural gas (SNG) potentially represents an alternate source of supply. SNG can be produced from coal, oil shale, or organic refuse. Coal gasification, however, is the most feasible method using current technology. Anticipating future demand for coal-derived SNG, a number of pipelines, utilities, and coal companies have already leased large tracts of Western coal lands and have launched several test plants with government assistance. While estimates of the future importance of this gas source range from 1.2 tcf to 4.1 tcf, representing from 8.5% to 10.4% of projected total supplies in 1990, SNG production is not yet a commercially viable operation.

D. Financial Performance

Natural gas pipelines require a large investment in plant (pipeline, compressor, storage, etc.) relative to the revenues they generate. More than $2 of assets are required to produce $1 of revenues. During the 20-year period (1950-1970), pipeline companies annually invested, on the average, $1 billion in plant additions.[9]

Historically, external funds have been called upon to support these expenditures, traditionally with debt as the primary source of capital. Two-thirds of the funds required by pipelines were raised externally between 1950 and 1970. Of the $16 billion so raised, $12 billion, or 75%, was in the form of debt.[10] Consequently, pipeline companies are highly leveraged; that is, a large percentage of capitalization is composed of debt. Although the debt/capitalization ratio has declined from 59.9% to 50.9% between 1965 and 1974, borrowed money continues to be an important source of new funds, representing 78% of externally-generated capital in 1974.[11]

For more than two decades, this method of financing has been successful. The gas pipeline industry has enjoyed a period of substantial growth, consistent dividend payments, and strong earnings. During the most recent 10-year period (1965-1974), return on net investment increased from 6.6% to 10.0%.[12] More significantly, natural gas pipelines have consistently had higher earnings than other utilities.[13]

Uncertainty surrounding the future interstate gas supply has had financial consequences. Interest rates on pipeline debt have increased. Escalator clauses in debt agreements link payments to the estimated life of gas reserves. As these reserves decline, debt life is shortened and yearly payments must be increased. Furthermore, stock prices are particularly sensitive to the gas supply situation, and shares have generally traded at low price/earnings ratios in recent years. This makes it difficult for companies to issue more stock, which is often required to build an equity base for further debt-financing. The outcome of the debate concerning producer deregulation and pipeline companies' ability to secure sufficient gas supplies will largely determine future earnings.

III. GOVERNMENT INVOLVEMENT

In 1938, Congress directed the Federal Power Commission to regulate interstate gas transportation by enacting the Natural Gas Act. Waste of a precious natural resource and the problem of monopoly motivated federal intervention. Initially, only one segment of the industry was brought under federal control—the interstate transportation of gas for resale to local utility companies. In subsequent years, however, the FPC assumed control over other aspects of the industry, including production and direct pipeline sales to industrial users (see Table PG-XIII). For companies subject to its authority, the FPC regulates the price of gas bought and sold, controls construction and abandonment of facilities, grants power of eminent domain for acquisition of pipeline right-of-way, and requires that companies submit detailed financial and operating information.

A. Producer Regulation

The most controversial aspect of FPC regulation has been its control of the well-head price of gas sold to interstate companies. The Natural Gas Act of 1938 did not specifically provide for producer regulation. After World War II, a number of midwestern states and cities requested that the FPC overrule a proposed price increase made by a gas producer. The Commission refused on the grounds that it did not have the authority, but the petitioners took their case to the courts. Anticipating a Supreme Court ruling, Congress passed legislation specifically exempting producers from federal regulation. In 1950, President Truman vetoed the Kerr Bill, citing insufficient producer competition which would probably result in exorbitant consumer gas prices. Four years later, the Supreme Court ruled (Phillips case) that the FPC had the power to regulate producers' sales to interstate pipelines.

Two years after the Supreme Court decision, Congress again passed legislation deregulating producers. When presented with the Harris Bill in 1956, President Eisenhower exercised his veto because of the high pressure lobbying of deregulators. Thereafter, federal control over interstate prices--from the producing field until the gas is sold to a local utility--has been a primary factor in the industry's expansion. Gas prices were kept below those of competing fuels, leading to changeovers from oil and coal by industrial, commercial, and residential users.

As pipeline companies are now increasingly unable to meet their gas delivery commitments, the push for producer deregulation becomes stronger. Pipelines are obligated to provide specified quantities of gas to various users under long-term contracts. When pipelines cannot meet these commitments because of insufficient supplies, the FPC approves delivery curtailments. Residential users are given highest priority, with industrial customers receiving the first cutbacks. In recent years, curtailments have grown, and a number of companies have cut back scheduled deliveries by nearly 50%.[14]

Proponents of producer deregulation argue that higher gas prices are necessary as a first step in alleviating the gas shortage. With the resulting price equalization between the intra- and interstate markets, gas will no longer be diverted from interstate companies. Higher gas prices, it is argued, will act as an efficient arbiter of gas use, promoting fuel conservation and the conversion to other energy sources by industrial users. It is further contended that price increases will spur aggressive exploration and promote the development of alternate gas-producing technology. With the support of oil and gas producers, pipeline companies, the Federal Power Commission, and the financial community, the deregulation effort is gathering momentum.

Advocates of continued producer regulation--including public service commissions, consumer groups, and congressional representatives from consuming regions--argue that the pent-up demand for gas will produce a price explosion if federal controls are lifted. Producers will earn windfall profits, they contend, while higher gas prices will not result in appreciable supply increases. It is suggested that federal controls be extended into the intrastate market, thereby discouraging "low-value" consumption of dwindling gas resources by industrial users.

For the first time in nearly 20 years, a deregulation proposal reached the House floor in February of 1976. The proposal was defeated in a close vote and another bill was substituted which proposed deregulation of smaller producers while extending federal control over intrastate sales. Legislative action was stalled, however, and at the end of 1976 the present regulatory mechanism remained intact. The deregulation debate will resume in 1977, but the Federal Power Commission has already taken steps to increase natural gas well-head prices.

B. Price Increases

The Federal Power Commission has taken measures to alleviate the effects of the natural gas shortage.* Commission action to overhaul its regulation of producers and raise gas prices has attracted the most public attention. Beginning in 1974, when it abandoned area ratemaking--by which gas prices were pegged to regional production costs--the FPC has moved to streamline its regulatory procedure and allow producers to charge higher prices to interstate pipelines.

In its first announcement of a uniform nationwide rate for new gas (flowing through wells after Jan. 1, 1973), the FPC indicated that gas would be sold at 40¢ per mcf. Previously, gas was selling for a little more than 20¢ per mcf. In subsequent decisions, the nationwide gas price was revised upward to 52¢ per mcf. In late 1976, however, the Commission announced a near tripling of prices. For gas sold under contracts beginning on January 1, 1975, the new price is $1.42 per mcf; for that committed during 1973 and 1974, $1.01 per mcf; and old gas now sells for as much as 29.5¢ per mcf. According to FPC estimates, the average price of all gas sold in 1977 will be 53¢ per mcf as compared to 40¢ per mcf in 1976, representing a $1.5 billion increase.

Various consumer groups have challenged these new increases, which contain provisions for refunds if the courts find recent FPC action contrary to the established precedents of producer regulation. Without deregulation of producers, regulatory attempts to administratively equalize prices for intra- and interstate gas are vulnerable to court reversals.

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* For example, the FPC permits pipelines to purchase unregulated gas at free market prices on a 60-day emergency basis.

TABLE PG-I. Gas Utility Industry Pipeline Mileage, 1950-1974

Year	Total	Field and Gathering	Transmission Pipeline[1]	Main Distribution Line
1950	387.5	32.8	113.1	241.6
1955	496.7	45.7	145.9	305.1
1960	630.9	55.8	183.7	391.4
1965	767.5	61.7	211.3	494.5
1970	914.8	66.6	252.6	595.6
1971	932.0	66.5	254.8	610.7
1972	950.2	67.1	258.5	624.6
1973	964.4	66.2	263.6	634.6
1974	976.7	67.0	263.5	646.2

1. Includes 3.6 thousand miles of underground storage pipe in 1971; 3.3 thousand in 1972; 4.5 thousand in 1973; 4.9 thousand miles in 1974, some of which was formerly classified field and gathering.

NOTE: Mileage in thousands. Data not adjusted to cover diameter equivalents. Mileage is at end of year.

SOURCE: American Gas Association, *Gas Facts, 1974,* Table 42, p. 49.

TABLE PG-II. Market Share Concentration Calculated by Combining Operating Revenues of Commonly-Owned Natural Gas Pipelines, 1974

ULTIMATE PARENT/ Operating Subsidiary	Combined Revenues	Cumulative Percent of Total
1. COLUMBIA GAS SYSTEM	$1,067,045	9.17%
Columbia Gas Transmission Corp		
Columbia Gulf Transmission Co		
2. TENNECO INC	915,973	17.04
Tennessee Gas Pipeline Co		
Midwestern Gas Transmission Co		
3. EL PASO CO	829,973	24.17
El Paso Natural Gas Co		
4. TEXAS EASTERN TRANSMISSION CORP[1]	741,401	30.54
Transwestern Pipeline Co		
5. PEOPLES GAS CO	590,695	35.62
Natural Gas Pipeline Co of America		
6. AMERICAN NATURAL GAS CO	$588,401	40.67%
Great Lakes Gas Transmission Co[2]		
Michigan Wisconsin Pipe Line Co		
7. PANHANDLE EASTERN PIPELINE CO[1]	587,882	45.72
Trunkline Gas Co		
8. NORTHERN NATURAL GAS CO	556,700	50.51
9. CONSOLIDATED NATURAL GAS CO	541,355	55.16
Consolidated Gas Supply Corp		
10. TRANSCO COS INC	520,281	59.63
Transcontinental Gas Pipe Line Corp		
11. UNITED GAS PIPE LINE CO[1]	512,417	64.03
Sea Robin Pipeline Co[2]		
12. SOUTHERN NATURAL RESOURCES INC	438,380	67.80
Sea Robin Pipeline Co[2]		
Southern Natural Gas Co		

1. Company is both an ultimate parent and operating gas pipeline company.

2. Joint venture, 50% of revenues attributed to each participant.

NOTE: Revenues in thousands. Pipeline divisions of ultimate parents not listed separately.

SOURCE: Federal Power Commission, *Statistics of Interstate Natural Gas Pipeline Companies, 1974;* Form No. 2 filed with the FPC for year's end 1974.

TABLE PG-III. Concentration of Gas Producers' Sales to to Interstate Pipelines Measured by Sales Volume, 1972

Natural Gas Producer	Volume of Sales	Cumulative Percent of Total
1. EXXON CORP	1,326,259	9.00%
2. GULF OIL CORP	791,584	14.37
3. Amoco Production Co	773,541	19.61
4. Shell Oil Co	716,827	24.48
5. PHILLIPS PETROLEUM CO	702,503	29.24
6. TEXACO INC	683,068	33.88
7. MOBIL OIL CORP	642,329	38.23
8. Union Oil Co of California	556,766	42.01
9. ATLANTIC RICHFIELD CO	547,774	45.73
10. Alberta & Southern Gas Co Ltd[1]	383,895	48.33
11. California Co, Division of Chevron	354,436	50.74
12. Cities Service Oil Co	349,570	53.11
13. SUN OIL CO	305,153	55.18
14. CONTINENTAL OIL CO	268,275	57.00
15. Westcoast Transmission Co Ltd[1]	255,920	58.73
16. The Superior Oil Co	252,925	60.45
17. Tenneco Oil Co	239,752	62.08
18. Getty Oil Co	237,900	63.69
19. TRANSCANADA PIPELINES LTD[1]	230,457	65.25
20. Skelly Oil Co	212,641	66.70
21. Pennzoil Producing Co	211,147	68.13
22. Champlin Petroleum Co	120,976	68.95
23. MARATHON OIL CO	115,384	69.73
24. Warren Petroleum Co, Division of Gulf Oil Co	115,144	70.51

1. Represents gas imported from Canada.

NOTE: Sales volumes in millions of cubic feet. Sales by producers named above may include gas purchased from other producers, hence these figures may not indicate volume of gas produced by the named producers. All of the named producers, except for Warren Petroleum, made sales in association with others. The producers included here were first named in the association.

SOURCE: Federal Power Commission, *Sales by Producers of Natural Gas to Interstate Pipeline Companies, 1972,* Table 1, p. 1.

TABLE PG-IV. Annual Estimates of Natural Gas Reserves, 1950-1974

Year	Estimated Proved Reserves	Change Over Previous Year
1950	184,584,745	5,183,052
1955	222,482,544	11,021,613
1960	262,326,326	1,555,895
1965	286,468,923	5,217,469
1966	289,332,805	2,863,882
1967	292,907,703	3,574,898
1968	287,349,852	(5,557,851)
1969	275,108,835	(12,241,017)
1970	290,746,408	15,637,573
1971	278,805,618	(11,940,790)
1972	266,084,846	(12,720,772)
1973	249,950,207	(16,134,639)
1974	237,132,497	(12,817,710)

NOTE: Reserves in millions of cubic feet. Proved reserves represent an estimate of economically and technically recoverable gas.

SOURCE: American Gas Association, *Gas Facts, 1974,* Table 4, p. 10.

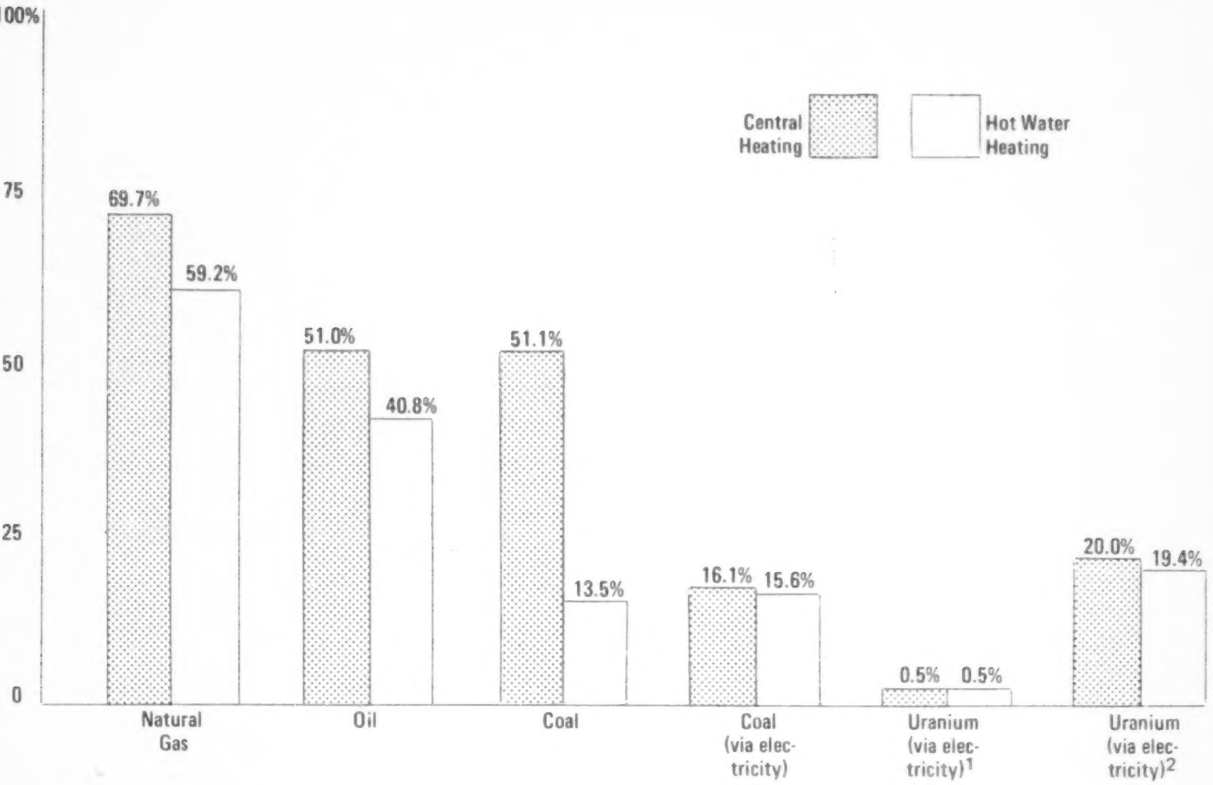
TABLE PG-V. Percent of Annual Energy Consumption Represented by Natural Gas and Other Energy Sources, 1950-1974

Year	Natural Gas (Dry)	Natural Gas (Liquid)	Crude Petroleum & Products	Bituminous Coal & Lignite	Anthracite Coal	Water Power	Nuclear Power
1950	18.0%	2.3%	37.2%	34.8%	3.0%	4.7%	*
1955	23.1	3.0	40.8	27.8	1.5	3.8	*
1960	28.4	3.2	41.6	22.2	1.0	3.6	*
1965	29.8	3.4	40.0	22.3	0.6	3.8	0.1%
1970	32.8	3.7	40.3	18.6	0.3	4.1	0.2
1971	33.2	3.6	40.8	17.3	0.3	4.2	0.6
1972	32.1	3.7	42.0	17.1	0.2	4.1	0.8
1973	30.4	3.5	43.1	17.6	0.2	4.0	1.2
1974p	30.4	3.5	42.3	17.8	0.2	4.2	1.6

* less than 0.05%

SOURCE: American Gas Association, *Gas Facts, 1974,* Table 52, p. 60.

TABLE PG-VI. Percent of Wellhead or Minemouth Heat Content Utilized by Household Appliances



. Conventional reactor.

. If fast breeder reactor is developed.

OURCE: Federal Power Commission, *National Gas Survey,* Vol. I, (1975), Fig. 2-3, p. 21.

TABLE PG-VII. Gas Utility Sales Volume and Revenues, 1950-1974

ear	Sales Volume	Revenues
950	4,209.1	$ 1,948,002
955	6,658.6	3,449,699
960	9,287.7	5,617,397
965	11,980.3	7,406,978
970	16,043.5	10,282,611
971	16,679.5	11,355,119
972	17,082.1	12,465,252
973	16,479.9	12,987,272
974	16,000.3	15,360,238

OTE: Sales volumes in trillions of British thermal units and revenues n thousands.

OURCE: American Gas Association, *Gas Facts, 1974,* Tables 64 and 79, p. 79 and 97.

TABLE PG-VIII. Average Annual Residential Price for Natural Gas, Electricity, and No. 2 Fuel Oil, 1965-1974

Year	Natural Gas	Electricity	No. 2 Fuel Oil
1965	$1.01	$6.59	$1.15
1970	1.06	6.15	1.33
1971	1.12	6.42	1.41
1972	1.19	6.71	1.42
1973	1.25	6.98	2.63
1974	1.42	8.29	2.59

NOTE: Prices are expressed per million of British Thermal Units.

SOURCE: American Gas Association, *Gas Facts, 1974,* Table 96, p. 115.

TABLE PG-IX. Percent of Gas Utility Sales Volume and Revenues Accounted for by Different Types of Consumers, 1950-1974

	RESIDENTIAL		COMMERCIAL		INDUSTRIAL		OTHER	
Year	Sales Volume	Revenues	Sales Volume	Revenues	Sales Volume	Revenues	Sales Volume	Revenues
1950	32.88%	60.42%	9.75%	13.63%	54.38%	24.62%	3.00%	1.32%
1955	33.62	58.19	9.05	12.29	53.09	27.18	4.23	2.34
1960	34.33	56.56	9.90	12.88	50.71	27.83	5.06	2.73
1965	33.38	54.40	11.23	14.23	51.31	28.99	4.09	2.37
1970	30.69	50.64	12.51	15.76	52.60	30.94	4.20	2.66
1971	30.21	49.63	12.92	16.11	51.82	31.42	5.04	2.84
1972	30.11	48.91	13.34	16.56	51.38	31.63	5.17	2.90
1973	30.30	48.10	13.84	16.73	50.79	32.31	5.06	2.86
1974	30.40	44.92	14.33	16.53	51.00	35.86	4.31	2.69

SOURCE American Gas Association, *Gas Facts, 1974*, Tables 64 and 79, pp 79 and 97

TABLE PG-XI. Domestic Interstate Gas Supply and Production, 1965-1973

Year	Annual Gas Production	Gas Reserves	Reserves to Production Ratio[1]
1965	10.4	192.1	18.5
1966	11.1	195.1	17.5
1967	11.8	198.1	16.8
1968	12.6	195.0	15.5
1969	13.4	187.6	14.0
1970	14.1	173.6	12.3
1971	14.0	161.3	11.5
1972	13.9	146.6	10.5
1973	13.4	134.2	10.0

[1] Production ratio is gas reserves divided by gas production.

NOTE: Gas production and reserve figures in trillions of cubic feet.

SOURCE: Federal Power Commission, *Annual Report, 1974,* Table 23, p. 110.

TABLE PG-X. Production and Consumption of Natural Gas by U.S. Region, 1973

	IN MILLIONS OF CUBIC FEET				PERCENT DISTRIBUTION OF CONSUMPTION				
Region	Production	Consumption	Balance[1]	Per Capita Consumption	Residential	Commercial	Industrial	Electricity	Other
New England (ME, NH, VT, MA, RI, CT)	NONE	251,972	(251,972)	.0208	52.3%	22.0%	20.4%	2.4%	2.9%
Middle Atlantic (NY, NJ, PA)	83,053	1,738,152	(1,654,649)	.0465	44.4	16.7	31.6	5.6	1.7
East North Central (OH, IN, IL, MI, WI)	140,103	4,014,381	(3,874,278)	.0983	37.2	17.3	41.2	3.5	.8
West North Central (MN, IA, MO, ND, SD, NE, KS)	9. 4,690	1,885,418	(960,728)	.1133	27.2	15.6	32.8	21.6	2.8
South Atlantic (DE, MD, DC, VA, WV, NC, SC, GA, FL)	247,932	1,486,636	(1,238,704)	.0456	23.9	12.6	44.4	16.9	2.2
East South Central (KY, TN, AL, MS)	173,393	974,865	(801,472)	.0728	21.9	13.1	54.4	8.4	2.2
West South Central (AR, LA, OK, TX)	18,684,782	6,096,305	12,588,477	.3005	7.5	3.3	56.3	31.4	1.5
Mountain (MT, ID, WY, CO, NM, AZ, UT, NV)	1,813,220	1,086,800	726,420	.1181	24.4	14.9	37.0	21.0	2.6
Pacific (WA, OR, CA, AK, HI)	580,376	2,290,742	(1,710,366)	.0834	29.7	12.0	36.9	20.7	.8
TOTAL	22,647,549	19,825,271	2,822,278	.0945	24.6%	11.5%	44.1%	18.2%	1.6%

[1] Production less consumption. Does not necessarily represent interstate movements or exports.

SOURCE: Federal Power Commission, *Annual Report: Federal Power Commission, 1974,* Table 25, p. 111; U.S. Department of Commerce, Bureau of the Census, *Statistical Abstract of the United States, 1975,* Washington, DC: U.S. Government Printing Office, Table 11, p. 12.

TABLE PG-XII. Lower 48 State Total Reserve Additions Falling to the Interstate or Intrastate Gas Markets, 1966-1973

		NEW INTERSTATE SUPPLY		NEW INTRASTATE SUPPLY	
Year	Total Reserve Additions	Volume	Percent of Total	Volume	Percent of Total
1966	14.8	10.0	68%	4.8	32%
1967	14.8	9.9	67	4.9	33
1968	9.8	6.4	65	3.4	35
1969	9.6	6.2	64	3.4	36
1970	11.3	3.5	31	7.8	69
1971	11.1	2.2	20	8.9	80
1972	10.7	5.0	47	5.7	53
1973	10.1	1.7	17	8.4	83

NOTE: Figures for gas reserve additions and volumes in trillions of cubic feet. Intrastate supply determined by assuming that intrastate reserve additions are equal to the difference between total reserve additions (as reported by the American Gas Association) and reserve additions committed to the interstate market (as reported on FPC Form No. 15 by regulated companies).

SOURCE: Federal Power Commission, *A Realistic View of U.S. Natural Gas Supply: Staff Report*, Table 2, p. 18.

TABLE PG-XIII. Chronology of Government Involvement in Natural Gas Transportation, 1906-1976

Period	Event	Comment
1906	Hepburn Amendment to Interstate Commerce Act	Establishes precedent of federal pipeline regulation. ICC regulates oil and liquid pipelines (excluding gas).
1910-1930		State governments enact measures to conserve natural gas resources. Courts rule that transportation of gas across state lines can only be controlled by federal government.
1920	Federal Water Power Act	Federal Power Commission (FPC) established.
1930		Federal Power Commission reorganized into an independent regulatory agency.
1935	Federal Trade Commission Report	Federal Trade Commission reports to Congress that gas is wasted; holding companies acted as monopolies and recommended federal pipeline regulation.
1938	Natural Gas Act	FPC authorized to regulate the interstate transportation of gas by transmission companies for sale to local utilities.
1940-1950		FPC broadens regulatory power. Establishes control over sales to industrial users. During the post World War II energy crisis orders gas curtailments. Northern states and cities ask FPC to regulate wellhead gas prices.
1950	Kerr Bill	Anticipating a court decision concerning FPC authority to regulate gas producers, Congress passes legislation exempting producers from regulation. Truman vetoes bill citing insufficient competition among gas producers.
1954	Phillips Decision	Supreme Court rules that FPC has authority to regulate producer sales to interstate pipelines.
1956	Harris Bill	Congress again passes a bill exempting producers from FPC regulation. Eisenhower vetoes measure because of lobbying scandals.
1976	FPC Staff Decision	FPC staff approves Arctic Gas Project proposal to construct Alaskan gas pipeline bringing gas into Canada and continental United States.

NOTES

1. See Federal Power Commission, *National Gas Survey*, Vol. I, Table 9-8, p. 226.

2. See "The Natural Gas Shortage," *Business Week*, September 27, 1976, pp. 66-71.

3. For a discussion of pipeline diversification see report of David Schwartz, Office of Economics, Federal Power Commission, in *Corporate Disclosure*, Part 2, Hearings before the Subcommittee on Budgeting, Management and Expenditures and the Subcommittee on Intergovernmental Relations, Committee on Government Operations, U.S. Senate, 93rd Congress, 2nd Session, April 23-May 21, 1974, Washington, DC: U.S. Government Printing Office, pp. 783-853.

4. Natural Gas is the source for 51% of industrial and 52% of residential and commercial national energy consumption. Federal Power Commission, *National Gas Survey*, Vol. I, pp. 152-153.

5. Federal Power Commission, *Annual Report: Federal Power Commission, 1974*, p. 34.

6. Federal Power Commission, *National Gas Survey*, Vol. I, p. 39.

7. Ibid., Table 9-3, p. 219.

8. Federal Power Commission, *National Gas Survey*, Vol. III, Table 18, p. 122.

9. Ibid., p. 349.

10. Ibid., Appendix A, p. 357.

11. Federal Power Commission, *Statistics of Interstate Natural Gas Pipeline Companies, 1974*, Table 3, p. XXIX; ibid., Table 9, p. XXXIV.

12. Ibid., Table 11, p. XXXVII.

13. See Robert B. Helms, *Natural Gas Regulation: An Evaluation of FPC Price Controls*, pp. 61-63.

14. "The Natural Gas Shortage," *Business Week*, September 27, 1976, p. 70.

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Oil Pipelines

I. INDUSTRY STRUCTURE

A. Classifications

Pipelines occupy an important place in the petroleum industry, acting as the transportation link between production, refining, and marketing. In this introduction we examine the operations of oil pipelines that are regulated by the Interstate Commerce Commission (ICC). Commission-regulated companies accounted for 84.5% of the intercity ton-miles generated by all pipelines in 1974.*

Pipelines either transport crude oil from producing fields to refineries ("crude lines"), or carry petroleum products (such as gasoline, heating oil, and jet fuel) from refineries into regional markets ("product lines"). In 1974, the U.S. oil trunk line mileage was divided almost evenly between crude and product lines.[1]

B. Transport Geography

The geographic configuration of pipelines reflects the distribution of domestic oil resources and the location of docking points for imported petroleum. Crude lines generally carry oil from producing fields to nearby refineries; consequently, these lines are typically located in major producing states. More than 60% of ICC-regulated crude trunk lines are located in Texas, Oklahoma, Wyoming, and Kansas. A few lines carry crude oil to refineries in the industrial heartland, but none extend into the Northeast. Crude oil used by the northern upper-tier states comes from two or three lines that originate in Canada.

Product lines tend to be more dispersed, with Texas, Kansas, Oklahoma, and Missouri accounting for 37% of ICC-regulated product line mileage. A maze of product lines emanates from the large Eastern import depots, where Caribbean refineries dock gasoline and fuel oil, or from the Gulf Coast of Texas and Louisiana.

California has always been isolated from the rest of the U.S. pipeline network, with few of its lines bound for out-of-state destinations. A line drawn due south from Missoula, Montana to the Mexican border would cross only five pipelines linking California's prolific fields to the rest of the country—four product lines and one crude line. Oregon and Washington do not receive California oil, and rely instead upon Canadian imports.

The national pipeline network will receive a major new addition when the 800 mile Alaskan pipeline begins operations, now scheduled for summer of 1977. Representing an investment approaching $10 billion—which is larger than the combined pipeline investment of all other ICC-regulated companies—the Alaskan pipeline will bring large quantities of North Slope crude across the Arctic tundra to Valdez, Alaska. From there the oil will be shipped via tanker to the West Coast. Standard Oil of Ohio, a major producer of Alaskan oil, proposes to then bring its crude via pipeline from southern California. If approved, this line would represent the first major Western oil link to the rest of the country.[2]

C. Concentration

At the end of 1974, there were 104 pipeline operators producing revenues of $1.59 billion. The largest 21 operators generated 73.87% of this total, with the top 4, 8, and 12 operators accounting for 25.91%, 42.05% and 54.29% respectively (see Oil Pipeline Operator Chart). When market shares are calculated by combining the revenues of commonly-owned operators, this concentration figure does not change appreciably (see Table PO-I). This reflects the fact that several large pipelines are joint ventures of major integrated oil companies (see Section I-D).

A handful of pipeline companies account for the bulk of petroleum transport movements. In 1974, eight pipeline companies transported 62.25% of the total barrel-miles (number of barrels transported one mile) of crude oil carried in trunk lines. Petroleum product transportation is more concentrated; one company, COLONIAL PIPELINE CO, carried 45.27% of product barrel-miles, while the largest eight operators accounted for 75.45% (see Table PO-II).

D. Corporate Structure

The most striking feature of the pipeline industry's corporate structure is the exercise of governing influence or control by the largest integrated petroleum companies.* Through a variety of relationships, large integrated petroleum companies control 15 of the 21 largest oil pipelines on the CDE Operator Chart. Only one company is publicly-held (MAPCO INC), two are subsidiaries of railroads (Buckeye, and Southern Pacific pipelines), another two are controlled by other independents (Williams Pipe Line, and Texas Eastern Transmission Products Pipeline System), and one company is a subsidiary

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*Under the proposed new Department of Energy Reorganization Act, jurisdiction over pipelines would be transferred out of the ICC to the new department.

* By integrated petroleum company we mean an oil company with operations in at least two of the three segments—production, refining, or marketing.

CDE Oil Pipeline Operator Chart: Top 21 Ranked by Revenues, 1974

Operator	Ultimate Parent[1]	Pipeline Operating Revenues ($000)	Cumulative % of Total[2]	Pipeline Assets ($000)	Pipeline Debt ($000)	Debt/Asset Ratio	Additional Information[3]
1. COLONIAL PIPELINE CO	–	155,230	9.78	463,550	385,870	83.2	
2. Exxon Pipeline Co	EXXON CORP	92,243	15.59	709,434	553,000	77.9	
3. Lakehead Pipe Line Co Inc	INTERPROVINCIAL PIPE LINE LTD	91,171	21.34	296,621	150,060	50.6	
4. Amoco Pipeline Co	STANDARD OIL CO (INDIANA)*	72,618	25.91	184,974	52,500	28.4	
5. Mobil Pipe Line Co	MOBIL OIL CORP	68,630	30.24	244,471	127,241	52.0	
6. Williams Pipe Line Co	WILLIAMS COS	68,290	34.54	343,268	187,324	54.6	Legal Counsel: Sullivan & Worcester, MA–$65.
7. Shell Pipe Line Corp	ROYAL DUTCH/SHELL GROUP†	64,183	38.58	185,231	117,656	63.5	
8. Texas Pipe Line Co	TEXACO INC	55,058	42.05	161,965	45,852	28.3	
9. Texas Eastern Transmission Corp Products Pipeline System	TEXAS EASTERN TRANSMISSION CORP (div.)	49,808	45.19	140,128	124,291	88.7	
10. Plantation Pipe Line Co	EXXON CORP* (48.83%)	49,804	48.33	177,277	140,738	79.4	Other Stockholder Interests: Refiners Oil Corp (27.13%), Shell Oil Co* (24.04%).
11. Buckeye Pipe Line Co	PENN CENTRAL CO†	47,776	51.34	206,050	79,768	38.7	Legal Counsels: Morgan, Lewis & Bockius, PA–$256; Baker, Hostetler & Patterson, OH–$110; O'Melveny & Myers, CA–$66.
12. Arco Pipe Line Co	ATLANTIC RICHFIELD CO	46,769	54.29	536,066	331,407	61.8	
13. Southern Pacific Pipe Lines Inc	SOUTHERN PACIFIC CO†	40,856	56.86	158,227	None	–	
14. Phillips Pipe Line Co	PHILLIPS PETROLEUM CO	40,024	59.38	61,375	4,247	6.9	
15. MAPCO INC	–	39,889	61.90	371,248	186,597	50.3	
16. Gulf Refining Co	GULF OIL CORP	36,764	64.21	111,882	None	–	
17. Chevron Pipe Line Co	STANDARD OIL CO OF CALIFORNIA	36,226	66.49	63,995	51,542	80.5	
18. Marathon Pipe Line Co	MARATHON OIL CO	35,535	68.73	101,970	62,288	61.1	
19. Sun Pipe Line Co	SUN OIL CO	28,787	70.55	76,641	3,433	4.5	
20. Continental Pipe Line Co	CONTINENTAL OIL CO	27,677	72.29	100,087	35,482	35.5	
21. EXPLORER PIPELINE CO	–	25,120	73.87	211,333	204,323	96.7	

* Control over operator is exercised through one or more intermediaries.

† See diagram of control structure in Part Two.

[1] Ultimate parent controls 100% of voting stock unless otherwise indicated.

[2] Percent of total ICC-regulated revenues.

[3] Legal counsels listed are those firms which received the largest fees from the pipeline operator in 1974. All $ figures in thousands.

SOURCE: Interstate Commerce Commission, *Transport Statistics in the United States, 1974,* Part 6, Table 6, pp. 16 and 18; P Annual Reports filed with the Interstate Commerce Commission for year's end 1974.

of a publicly-held pipeline company (Lakehead Pipeline).*

Pipelines controlled by oil companies (hereafter referred to as "integrated pipelines") are principally organized as subsidiaries or, in a number of important cases, as joint ventures. COLONIAL PIPELINE CO, which transports 45% of total product barrel-miles, and the Trans Alaska Pipeline System (TAPS), which represents the most expensive pipeline ever constructed, are both joint ventures.

Joint venture pipelines are normally organized as corporate stock companies or as "undivided interest lines." In the corporate stock company, the jointly-owned pipeline is a common carrier and therefore sets tariffs and determines total shipping capacity. COLONIAL PIPELINE is a corporate stock joint venture. The undivided interest line, on the other hand, is not itself a common carrier; the owners act as their own common carriers for goods transported through the system, completely controlling their own portion of the line with respect to tariffs, shipping capacity, etc. TAPS is an undivided interest line, with each of its eight owners acting as common carriers. Alyeska Pipeline Service Co, a non-profit company created by TAPS participants, is employed to construct, operate, and maintain the pipeline system.

Oil company ownership of pipelines has traditionally been the source of government investigations into anticompetitive oil company practices. ICC pipeline regulation was first instituted in 1906 as a response to Standard Oil Trust's ownership of several pipelines. Now, with the rising cost of energy, new attention has been brought to bear upon the operations of integrated petroleum companies, and their ownership of petroleum pipelines has become one of the primary areas of contention (see Section III).

II. ECONOMIC DYNAMICS

A. Historical Background

Oil was first discovered along Oil Creek in northeastern Pennsylvania in 1859 and was transported on barges to the Alleghany River. When oil drilling moved inland, teamsters were hired to haul the oil on wagons to the nearest water connection. Waterways were the primary connection to railroads until spurs were constructed linking producing areas to main rail lines. The teamsters carried crude oil to the rail spurs for $3 to $5 a barrel.

The earliest pipelines were developed as gathering lines to undercut the teamster rates which amounted to about 75% of the oil selling price. The first successful line connected a producing field to the railroad near Oil Creek, a distance of six miles, and carried 80 barrels an hour for $1 per barrel—significantly less than the cost of teamster haulage.

This early line was built by an entrepreneur who saw the opportunity to profit from transporting, rather than producing, oil. Other short gathering lines between fields and railways were built by independents or by producers who could not market their oil unless they bought a pipeline. Producers also financed lines constructed and operated by independents. Other lines were bought by refiners or other users requiring a secure supply of raw material. Finally, the railroads bought or built pipelines to insure reliable crude traffic for their rail lines.[3]

Oil transportation became an important tool in the struggle to achieve cartelization. John Rockefeller demanded rebates from railroads in exchange for shipping crude over their lines to his Ohio refineries. Because of the large volume of crude processed by Rockefeller refineries, which controlled 90% of domestic refining capacity, the railroads granted Standard both rebates on their shipments, and a kickback on the crude oil shipments of other companies. In response, Standard's competitors constructed the first oil trunk line; a larger, long-distance line. These new lines proved to be a more economical method of oil transportation, forcing railroads to lower their rates and prompting Standard to construct or buy several pipelines in order to maintain its superior position. Within 20 years of the first oil discoveries, pipelines emerged as the dominant means of transporting crude over long distances, despite the fact that railroads and barges continued to be crude carriers in areas where pipelines were not available.

Oil pipeline transportation underwent major changes during the first three decades of this century. In 1906, oil lines were designated common carriers, to be regulated by the ICC, making the rebating practices of Standard Oil Trust illegal. In subsequent years, the producing fields in Texas, Kansas, Oklahoma, and California rapidly replaced the Appalachian Fields as primary domestic oil sources, thereby requiring new pipeline construction. In 1930, the owners of Tuscarora Pipeline, a remnant of the dissolved Standard Oil Trust, ran refined products for the first time through a crude oil pipeline, and other companies quickly followed this example.

By 1940, pipelines had become the primary means of transport for combined crude and product movements, accounting for 39.79% of the total. In that year, pipelines transported more than 70% of the crude tons, but only 6.60% of the product tonnage.[4] During World War II, loss of tankers and their diversion for war transport provided added impetus for pipeline construction. The government contracted with major oil companies on a cost-plus fixed-fee basis to build the "Big Inch" and the "Little Big Inch" from Texas to the East Coast. These were the largest diameter pipelines of their time, significantly increasing pipeline product transport capacity. Pipeline deliveries of oil from the Southwest (Texas, Louisiana, Oklahoma, California, and Kansas) rose to 15 times the pre-war figures.

B. Market Trends

Since World War II, the volume of petroleum crude and product traffic has increased.* From 1950 to 1974, petroleum consumption more than doubled, and oil's share of domestic energy consumption rose from 37.2% to 42.48%.[5] Accompanying the expansion of the petroleum market, the amount of crude and product carried by all transport modes between 1950 and 1968 increased from 285.7 million to 1,563 million tons.[6]

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* Three oil companies, through their subsidiaries, control 40% of INTERPROVINCIAL PIPE LINE LTD, which, in turn, wholly-owns Lakehead Pipe Line Co Inc.

* All figures are representative of domestic petroleum traffic unless otherwise indicated.

Pipelines are capturing a growing share of this expanding traffic volume. Their share of total transported crude and product tonnage was 47.5% in 1973, compared with 38.9% in 1950 (see Table PO-III). Pipelines are an economical means of transporting large amounts of oil over long distances. When operating at close to full capacity, the per-mile cost of pipeline transportation compares favorably with that of competing modes.

Pipelines, which compete primarily with water carriers, dominate the transportation of crude petroleum, accounting for nearly 75% of the tonnage carried.* Competition for product traffic, however, is more intense. With the construction of large-diameter product lines, pipelines have recently managed to surpass water carriers in terms of product tonnage carried (see Table PO-IV). In particular, the construction of COLONIAL PIPELINE during the early 1960's diverted tanker-transported traffic from the Gulf to Atlantic Coast route.[7] Generally, the construction of large-diameter product lines have effectively reduced water carriers' share of product traffic. An oversupply of tanker capacity in recent years, however, may cause tanker rates to drop. In early 1976, for example, producers found it cheaper to ship oil in tankers from the Persian Gulf around Africa rather than send it directly to the Mediterranean through the Arabian American Oil Co's pipeline.[8]

By certain measures, the oil pipeline industry's expansion has been more vigorous than that of other transport modes. Between 1950 and 1974, pipeline's share of total intercity ton-miles grew from 11.81% to 22.77% (see Table PO-V). Presently, only railroads generate more ton-miles of freight than pipelines. Trunk line mileage grew from 96,418 to 153,089 during the same period, with product lines accounting for most of this expansion (see Table PO-VI). Revenue growth, however, has not been as strong. While pipeline revenues doubled during the 20-year period 1955-1974, pipeline's percentage of total ICC-regulated freight revenues dipped from 4.5% to 3.9% (see Table PO-VII). Industry revenues also grew at a slower rate than national income during the same period.[9]

This rather sluggish revenue expansion can be partially explained as a function of pipeline economics. As pipeline diameters have become larger, the transportation cost per ton-mile falls. Consequently, pipelines can charge the same or lower rates and still earn adequate returns on investment. In fact, the average revenue per ton-mile in 1974, representing an increase over the most recent ten-year average, is equal to the revenue per ton-mile figure recorded in 1950.[10] The industry, nevertheless, has typically earned a return on investment higher than those of other ICC-regulated modes (see Section II-D).

C. Labor

Pipeline transport does not require a large number of employees relative to the ton-miles generated. Pipeline employment is less than 5% of that in the railroad or trucking industries. Between 1968 and 1972, output per man-hour, as measured by the Bureau of Labor Statistics, grew at a faster rate in the pipeline industry than in intercity trucking, railroads, and air transportation.[11] During period 1969-1974, oil pipeline employment averaged 15,000 persons.[12]

D. Financial Performance

Oil pipelines have typically earned an average return on investment of nearly 10% between 1969 and 1974.* By this measure, pipelines have been more profitable than ICC-regulated railroads and water carriers, but less profitable than motor carriers during the same period.[13] In terms of return on equity, however, pipelines fared considerably better in comparison with other ICC-regulated carriers and all manufacturing companies.** During the five-year period beginning in 1969, pipelines earned, on the average, more than 16% on equity.

The higher return on equity results from the fact that the industry is highly-leveraged—that is, a large percentage of its capitalization is comprised of debt. In 1974, more than 60% of the industry's capitalization was represented by debt. The joint-venture product pipelines, however, had a debt/capitalization ratio exceeding 80%, and generally earned more than 25% on their equity. Financial agreements between oil companies and their pipeline subsidiaries/affiliates support these large debt/capitalization ratios. In contrast, the independently-owned pipelines have ratios that are below the industry average (see Table PO-IX).

Throughput agreements, where the oil company is obligated to ship a specified quantity of oil through a pipeline, provide debt security for integrated pipelines. The throughput is calculated to provide the pipeline with transportation revenues large enough to meet its expenses and debt payments as well as earn a return on investment. If the pipeline cannot meet its debt payments from current revenues, the oil company can be called upon to make a "deficiency payment" which is treated by the pipeline as an advance payment against future oil shipments. †

With the security represented by a large integrated oil company behind it, pipelines are able to raise large sums through debt-financing. Despite high debt/capitalization ratios, pipeline-borrowing typically enjoys favorable credit ratings bearing lower interest rates. As a matter of practice, major financial rating services treat the pipeline security as if it was issued by the oil company itself. This financing method is largely a response to government limits on integrated pipeline earnings (see Section III).

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* For the most part, railroads and trucks complement, rather than compete with, pipeline transport.

* The ICC return on investment figure is net operating income (less federal taxes on ordinary income) divided by net investment in transportation property (plus working capital).

**Return on equity is net income divided by stockholders' equity (retained income, capital surplus, and capital stock).

† The throughput agreement is generally described as a contingent liability in a footnote to the oil company's balance sheet.

III. GOVERNMENT INVOLVEMENT

When the power of the oil trusts began to impinge on small producers in new inland fields at the beginning of the 20th century, these companies supported consumer demands that the government reorganize the petroleum market. One result of investigations undertaken at the time was a finding that control of pipelines by integrated companies promoted monopoly.* Two courses of action were seriously considered: imposing pipeline regulation similar to that already applied to railroads, or forcing integrated companies to divest their pipeline interests. While actual government involvement has been limited to regulation, repeated attempts have been made to divorce pipelines from the control of large oil companies. (For chronology of government involvement, see Table PO-X.)

A. Interstate Commerce Commission

Before a final decision was reached on the government's case against the Standard Oil Trust, Congress passed the Hepburn Act in 1906 bringing pipelines under ICC regulation. Liquid pipelines, except for gas, were declared subject to common carrier law. This measure was originally seen as a first step by many of its proponents, and ICC regulation did not become truly operational until after the court-ordered divestiture of the Standard Oil Trust in 1911. In accepting oil company control of pipelines, the government relied upon regulation to prevent monopoly abuses in pipeline transportation.

In several important respects, however, ICC pipeline regulation differs significantly from that applied to other other transport modes. Pipelines are not required to operate under "certificates of public convenience and necessity" so that construction or abandonment of lines is not a matter for Commission action. The ICC does not have the power to review certain financial and corporate transactions such as debt issues, mergers, consolidations, and joint ventures. Finally, pipelines are not subject to the "commodity clause" contained within the Hepburn Act, which prohibits certain carriers from transporting the goods they produce. (This means that the producers and refiners of petroleum are permitted to own or control pipelines.) The Commission does have the power to review rates and tariffs, require companies to file reports for statistical and valuation purposes, and generally enforce pipelines' common carrier obligation to satisfy reasonable requests for its transportation services.

During the formative period of ICC regulation between 1920 and 1940, the Commission attempted to bring forward several informal complaints against integrated pipeline companies. Usually, a formal complaint is necessary to elicit Commission support. In spite of charges that integrated pipelines make it difficult for independent shippers to use their facilities (for example, pipeline owners established a 100,000 barrel minimum shipping requirement, which the ICC reduced to 10,000 barrels in 1922), few formal complaints have actually been filed with the ICC. Critics claim that this is due to conditions within the petroleum market where the independent's survival depends upon the "good will" of the major integrated companies. Others explain the absence of complaints as no more than a reflection of the fact that independents are given a reasonable opportunity to use pipelines.

The profits earned by integrated pipelines have been a particularly sensitive issue and the cause of much Commission deliberation and Justice Department investigation. All shippers must pay the common rate for transportation services. Owner-shippers, however, recoup part of their cost through dividends paid to them as shareholders. In 1934, the Commission began an investigation into pipeline companies' payments to shareholders. Finding that a number of pipeline companies earned a return on investment from 25% to 30%, in a 1940 decision the Commission limited profits on crude lines to 8% and profits on product lines to 10%. In limiting profits, the ICC attempted to reduce this rate-cost differential to a minimum level that encouraged continued pipeline investment but did not place the independent shipper at a severe competitive disadvantage. The Commission's method of determining the maximum return is subject to much criticism, including a Justice Department attempt to revise the present procedure (see Section III-B).

In addition to the anticompetitive effects of excessive pipeline profits, the ICC attempts to enforce common carrier behavior by monitoring access to pipelines by non-owner shippers. Shipper discrimination can adversely affect competition in the petroleum markets. If a pipeline is the most efficient means of transport to a specific market, and independents serving that market cannot use that pipeline, the shipper-owners may earn higher downstream profits. In this case, the transportation advantage of the pipeline would become the source of extra-profit for the shipper-owners when the prevailing market price of oil is determined by petroleum transported by other, more expensive means.

To prevent shipper discrimination, the ICC may order a pipeline to grant a reasonable request to use its facilities. If the pipeline is operating at 100% capacity, the operator will have to make room in the system for the new shipper. In this way, an owner-shipper can be required to curtail shipments to accomodate an independent user.

It is disputed whether these measures are sufficient to prevent shipper discrimination. Critics contend that, because integrated pipelines provide neither storage nor hook-up facilities, the independent shipper's pipeline access is restricted. In contrast, they add, of the 20 largest pipelines, only the three non-integrated companies—William, Buckeye, and Southern Pacific pipelines—provide input and output tanks for independents shipping oil over their lines. On the other hand, oil companies point out that non-owner shippers do, in fact, use integrated pipelines and that many integrated pipelines do not provide such facilities for their owners.

The Commission does not regulate oil pipelines as public utilities. In contrast to FPC regulation of natural gas pipelines, the ICC has limited power to review oil pipeline operations. Commission pipeline regulation is

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*** Independent shippers were either refused use of pipeline facilities or offered transportation services at excessive charges, thereby denying them access to certain petroleum markets.**

also limited in comparison to its regulation of other modes such as railroads, motor carriers, and freight forwarders. Under these conditions, the industry has managed to finance expansion and undertake construction projects of enormous size, such as the Trans Alaska Pipeline System. Given the limited jurisdiction of the ICC, however, the Justice Department has taken a more active interest in pipelines than in other ICC-regulated modes.

B. Department of Justice

Pipeline regulation, and the break-up of the Standard Oil Trust in 1911, resulted in a new organization of the petroleum market. In subsequent years, however, several attempts were made to thoroughly restructure the market. Critics charged that the power of a handful of integrated oil companies was not dissipated through previous antitrust action and ICC regulation. Integrated pipelines were singled out as one of the primary examples of a less-than-competitive petroleum market. In each Congress from 1931 to 1941, members introduced bills to divorce pipelines from integrated oil company control. In 1933, President Roosevelt included a proposal to divest oil companies of their pipeline interests as part of the National Industrial Recovery Act, which the Supreme Court subsequently ruled an unconstitutional delegation of powers.

In 1940, the Department of Justice prepared to bring two suits against integrated pipeline companies. In one case, the Department charged that joint and individual ownership of pipelines by oil companies constituted illegal control over the petroleum crude market. With the outbreak of World War II, the government asked that the suit be put aside until after the hostilities, at which time the government had the case dismissed. In a separate action, the Department prepared to sue integrated pipelines, charging that payments of dividends to owner-shippers was a violation of the Elkins Act, which prohibits rebates to shippers. This suit was also interrupted by the War, but this time the government filed a civil action, and the parties (including 19 major oil companies and 33 pipelines) accepted a consent judgement. The 1941 Consent Decree stipulated that shareholders could receive dividends up to 7% of pipeline investment. Any payments to shareholders in excess of this amount would be treated as an illegal rebate.

The actual effect of the decree is much debated. In essence, a pipeline company's net income must not exceed 7% of its ICC-valued investment.* Transportation charges charges are typically calculated to earn just the maximum return on property. In recent years, the practice of debt-financing has enabled integrated oil pipelines to collect a return on equity far above the 7% level. Some joint venture lines earn from 30% to 50% on equity. These large equity returns do not violate the 1941 Decree, since the ICC-calculated return formula covers only net income divided by net investment in transportation property (including debt-acquired assets).

The Justice Department sought a new court interpretation of the decree which would have considered only equity investment when calculating the 7% limit on shareholder dividends. In 1959, the Supreme Court ruled ruled that after 16 years of implementation basing the 7% limit on total investment (equity plus debt) the Department could not expect the Court to intervene. The Court instructed the Department that the Decree would have to be modified to effect this change. No action has been taken to date.

Oil companies assert that the high equity returns are justified due to the risk involved in pipeline projects. Arguing that since the shipper-owner guarantees the pipeline debt in throughput agreements, these returns are justifiable compensation for such added risk. If the pipelines should be unable to meet their debt obligations, the shareholders must then assure payment.

On the other hand, critics contend that the present ICC return formula permits excessive profits to owner-shippers, thus placing independents at a competitive disadvantage. The likelihood of a pipeline failing, they add, is remote, given that its shareholders have the means to assure a steady flow of crude or product through the system. Furthermore, they assert that the ICC return formula does not accurately judge the true return on pipeline capital. While the assets represented by debt are included in the property valuation, the ICC net income figure does not include interest payments, which represent return on debt-acquired property. Debt should either be removed from the valuation figure, they assert, or interest payments should be made part of the net income figure to represent return on total capital.*

C. Divestiture

The growing move to break-up integrated petroleum companies may make its first step the divestiture of integrated pipelines. Some observers think that, should the general divestiture movement falter, it may still be possible to separate pipelines from other oil company operations.[14] With pipelines operating as truly independent common carriers, these proponents see elimination of many actual or potential abuses. Pointing to the operations of gas pipelines, these parties argue that producer integration into transportation is not needed to insure the financing or successful operation of large-diameter pipeline projects.

Opponents of these moves respond with the assertion that the larger joint venture pipeline projects would not be possible without ownership interest by integrated oil companies. Oil companies, it is said, would be reluctant to enter throughput agreements with pipelines that are independently owned. The larger and more efficient pipelines require a secure petroleum supply that can only be assured through the ownership-participation of large oil companies.

The increasing cost of energy will intensify the debate over divestiture.[15] Changes in the petroleum pipeline industry depend on the outcome of this more general discussion of competition in the overall energy markets.

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* Actually, if a pipeline earns a net income exceeding this 7% maximum the amount above this level is typically put into a surplus account. Surplus so-accumulated is not included in future ICC valuation of the pipeline.

* Most financial publications use a return on equity figure to measure a company's financial performance. Some also use a return on total capital—in this case the interest payments on debt are considered part of the return.

TABLE PO-I. Market Concentration Calculated by Combining Revenues of Commonly-Owned Operators, 1974

ULTIMATE PARENT/Subsidiary	Combined Revenues	Cumulative Percent of Total
1. EXXON CORP	$116,562	7.34%
Exxon Pipeline Co		
Plantation Pipe Line Co[1]		
2. STANDARD OIL CO (INDIANA)	94,847	13.32
Amoco Pipeline Co		
COLONIAL PIPELINE CO[1]		
3. INTERPROVINCIAL PIPE LINE LTD	91,171	19.06
Lakehead Pipe Line Co Inc		
4. MOBIL OIL CORP	86,466	24.51
COLONIAL PIPELINE CO[1]		
Mobil Pipe Line Co		
5. ROYAL DUTCH/SHELL GROUP	82,687	29.72
EXPLORER PIPELINE CO[1]		
Plantation Pipe Line Co[1]		
Shell Pipe Line Corp		
6. TEXACO INC	81,221	34.84
COLONIAL PIPELINE CO[1]		
EXPLORER PIPELINE CO[1]		
Texas Pipe Line Co		
7. WILLIAMS COMPANIES	68,290	39.14
Williams Pipe Line Co		
8. GULF OIL CORP	67,007	43.37
COLONIAL PIPELINE CO[1]		
EXPLORER PIPELINE CO[1]		
Gulf Refining Co		
9. PHILLIPS PETROLEUM CO	52,180	46.65
COLONIAL PIPELINE CO[1]		
EXPLORER PIPELINE CO[1]		
Phillips Pipe Line Co		
10. ATLANTIC RICHFIELD CO	49,956	49.80
Arco Pipe Line Co		
COLONIAL PIPELINE CO[1]		
EXPLORER PIPELINE CO[1]		
11. TEXAS EASTERN TRANSMISSION CORP	49,808	52.94
Texas Eastern Transmission Corp Products Pipeline System		
12. PENN CENTRAL CO	47,776	55.95
Buckeye Pipe Line Co		

[1] Joint venture, revenues attributed according to ownership interests.

NOTE: Revenue figures in thousands.

SOURCE: Interstate Commerce Commission, *Transport Statistics in the United States, 1974,* Part 6, Table 6, pp. 16 and 18; P Annual Reports filed with the Interstate Commerce Commission for year's end 1974.

TABLE PO-II. Concentration of Crude and Products Barrel-Miles Transported in Pipelines, 1974

CRUDE OIL			PETROLEUM PRODUCTS		
Company	Barrel-Miles	Cumulative Percent of Total	Company	Barrel-Miles	Cumulative Percent of Total
1. Lakehead Pipe Line Co Inc	343,772	21.15%	1. COLONIAL PIPELINE CO	561,040	45.27%
2. Amoco Pipeline Co	181,010	32.29	2. Plantation Pipe Line Co	93,007	52.77
3. Shell Pipe Line Corp	122,968	39.85	3. Williams Pipe Line Co	60,169	57.63
4. Mobil Pipe Line Co	93,378	45.60	4. Texas Eastern Transmission Corp Products Pipeline System	55,535	62.11
5. Texas Pipe Line Co	81,746	50.62	5. EXPLORER PIPELINE CO	54,653	66.52
6. Arco Pipe Line Co	69,075	54.87	6. MAPCO INC	39,156	69.67
7. Exxon Pipeline Co	68,354	59.08	7. Phillips Pipe Line Co	37,809	72.73
8. Marathon Pipe Line Co	51,534	62.25	8. Gulf Refining Co	33,793	75.45

NOTE: Barrel-Mile is the number of barrels carried one mile. Barrel-Mile figures in millions.

SOURCE: Interstate Commerce Commission, *Transport Statistics, 1974,* Part 6, Table 4, pp. 9 and 11.

TABLE PO-III. Percent of Total Crude and Products Tonnage Carried by Various Transport Modes, 1950-1973

Year	Pipeline	Water Carrier	Truck[1]	Railroad
1950	38.9%	34.6%	20.0%	6.7%
1955	43.0	29.6	23.2	4.3
1960	43.0	29.2	24.8	3.0
1965	44.4	24.5	29.1	2.0
1970	46.9	23.9	27.6	1.5
1971	46.9	24.2	27.4	1.5
1972	47.5	23.1	27.9	1.5
1973	47.5	21.9	29.1	1.5

[1] Figures for trucks are estimates.

SOURCE: American Petroleum Institute, *Petroleum Facts and Figures, 1971*, p. 272; idem, *Annual Statistical Review, 1965-1974*, p. 49.

TABLE PO-VI. Oil Trunk Line Mileage, 1950-1974

Year	Crude	Products	Total
1950	73,093	23,325	96,418
1955	78,594	36,420	115,014
1960	64,799	49,859	114,658
1965	73,405	63,665	137,070
1968	70,825	64,529	135,354
1971	75,143	72,396	147,539
1974	76,250	76,839	153,089

NOTE: Includes pipeline mileage of both regulated and unregulated companies. Gathering lines are not included; in 1974, there were 69,226 miles of gathering line.

SOURCE: American Petroleum Institute, *Petroleum Facts and Figures, 1971*, p. 215; idem, *Basic Petroleum Data Book, 1975*, Section XII, Table 1.

TABLE PO-IV. Percent of Crude Versus Products Tonnage Carried by Various Transport Modes, 1950-1968

	TOTAL[1]		PIPELINE		WATER CARRIER		TRUCK[2]		RAILROAD	
Year	Crude	Products	Crude	Products	Crude	Products	Crude	Products	Crude	Products
1950	318,280	413,002	72.64%	12.75%	21.22%	44.85%	4.72%	31.66%	1.42%	10.74%
1955	398,877	561,931	77.73	18.24	15.81	39.32	5.75	35.53	0.71	6.91
1960	432,318	656,820	75.97	21.31	17.15	37.17	6.44	36.93	0.44	4.66
1965	489,890	832,914	74.92	26.50	16.76	29.01	8.10	41.51	0.22	2.98
1966	518,611	886,830	74.15	27.65	17.90	27.07	7.73	42.50	0.22	2.78
1967	549,625	938,855	73.63	29.25	18.79	26.26	7.37	41.87	0.21	2.62
1968	574,814	988,584	74.08	30.41	18.62	25.69	7.11	41.35	0.19	2.55

[1] Tonnage in thousands.

[2] Figures for trucks are estimates.

SOURCE: American Petroleum Institute, *Petroleum Facts and Figures, 1971*, p. 272.

TABLE PO-V. Pipeline Percent of Total Intercity Ton-Miles, 1950-1973

Year	Total Intercity	Pipeline	Pipeline Percent of Total
1950	1,094	129	11.81%
1955	1,298	203	15.66
1960	1,330	229	17.19
1965	1,651	306	18.56
1970	1,936	431	22.26
1971	1,953	444	22.73
1972	2,071	476	22.98
1973	2,231	507	22.72

NOTE: Ton-Miles in billions. Total intercity includes domestic freight traffic of railroads, motor carriers, water carriers, oil pipelines and airlines.

SOURCE: U.S. Department of Commerce, Bureau of the Census, *Statistical Abstract of the United States, 1975*, Washington, DC: U.S. Government Printing Office, Table 936. p. 562.

TABLE PO-VII. Oil Pipeline Percent of Total ICC Regulated Freight Revenues, 1955-1974

Year	Total ICC Regulated Revenues	Oil Pipelines	Pipeline Percent of Total
1955	$15,193.5	$ 677.6	4.5%
1960	16,464.3	770.4	4.7
1965	20,315.6	903.8	4.4
1970	27,262.2	1,188.3	4.4
1971	30,332.5	1,249.3	4.1
1972	32,869.1	1,338.0	4.1
1973	36,759.4	1,445.8	3.9
1974p	41,046.6	1,582.0	3.9

NOTE: Revenue figures in millions. Total includes freight revenues of ICC-regulated Class I and II railroads, Class I, II, and III motor carriers, oil pipelines, and water carriers.

SOURCE: Interstate Commerce Commission, *Transport Economics*, Vol. II, No. 2 (1976), p. 1.

TABLE PO-IX. Financial Returns Earned by Largest 21 Oil Pipeline Companies, 1974

Company	Return on Investment	Debt/ Capitalization Ratio	Net Income ÷ Investment	Net Income ÷ Equity	Dividends ÷ Equity	Dividends ÷ Investment
COLONIAL PIPELINE CO	14.20%	88.46%	6.27%	55.18%	66.22%	7.07%
Exxon Pipeline Co	5.61	82.83	4.88	25.19	26.59	5.15
Lakehead Pipe Line Co Inc	12.32	66.00	5.42	20.66	17.45	4.58
Amoco Pipeline Co	15.04	27.57	17.64	16.65	12.59	13.34
Mobil Pipe Line Co	8.93	55.72	7.18	12.94	11.41	6.33
Williams Pipe Line Co	8.79	55.88	5.02	10.36	4.87	2.36
Shell Pipe Line Corp	13.92	65.74	8.93	18.44	13.56	6.57
Texas Pipe Line Co	7.93	4.28	10.14	10.48	7.31	7.07
Texas Eastern Transmission Corp Products Pipeline System	21.27	NA	15.18	NA	NA	NA
Plantation Pipe Line Co	11.63	85.68	4.11	29.29	26.79	3.76
Buckeye Pipe Line Co	9.64	39.97	8.40	13.25	5.59	3.54
Arco Pipe Line Co	2.71	65.20	2.67	7.49	5.17	1.84
Southern Pacific Pipe Lines Inc	10.97	0	11.68	9.13	5.25	6.72
Phillips Pipe Line Co	6.39	7.27	8.02	8.08	6.45	6.39
MAPCO INC	13.99	56.32	27.50	29.58	5.36	4.98
Gulf Refining Co	6.55	0	6.16	5.62	0	0
Chevron Pipe Line Co	28.55	77.45	21.56	94.87	95.93	21.80
Marathon Pipe Line Co	13.49	69.14	8.11	25.94	10.11	3.16
Sun Pipe Line Co	10.92	4.00	9.34	6.22	5.94	8.92
Continental Pipe Line Co	9.94	36.22	13.99	13.88	9.39	9.46
EXPLORER PIPELINE CO	5.57	103.53	def.	def.	0	0
Industry Total	9.23%	61.86%	6.55%	15.69%	11.06%	4.62%

NOTE: Investment is net investment in carrier property plus working capital. Stockholders' equity is capital surplus, retained income, and capital stock.

SOURCE: Interstate Commerce Commission, *Transport Statistics, 1974*, Part 6, pp. 12-19.

TABLE PO-X. Chronology of Government Involvement in Oil Pipeline Transportation, 1903-1975

Date	Event	Comment
1903	Elkins Act	Amends Interstate Commerce Act making rebates to shippers illegal.
1906	Hepburn Act	Oil pipelines are brought under Interstate Commerce Commission (ICC) regulation. The commodity clause contained in this act, which prohibits railroads from transporting products which they produce, is not applied to pipelines.
1911	Supreme Court Decision	Standard Oil Trust broken up into its contituent companies.
1911-1914	Court Decisions	Court upholds ICC attempts to require pipelines to file tariffs as common carriers.
1922	ICC Decision	Commission rules that a pipeline minimum shipment requirement of 100,000 barrels discriminates against smaller users and orders the minimum to be reduced to 10,000 barrels.
1931-1941	Congressional Proposals	Several congressional bills are prepared proposing to divorce pipelines from integrated oil companies.
1933	National Industrial Recovery Act	President Roosevelt includes a proposal to divest oil companies of their pipeline interests. Supreme Court subsequently rules that the Act is unconstitutional.
1934-1941	ICC Investigation	Commission begins proceedings into charges that integrated pipelines are earning excessive profits. In 1940, ICC sets maximum profit of 8% for crude and 10% for products lines. Further investigation suspended because of World War II.
1940	Justice Department Action	Department prepares to bring suit against integrated pipelines charging that high dividends paid to shareholders constitute illegal rebates.
1940-1975	Antitrust Action	Justice Department charges that joint and individual control of pipelines by integrated oil companies represents illegal control over the crude market. Suit is suspended until the end of World War II, at which time the government moves to have the case dismissed.
1941	Consent Decree	Justice Department and major oil companies settle civil action through consent judgement that permits shipper-owners to earn a maximum return of 7% on the valuation of pipeline property; any dividends received in excess of this level would be considered an illegal rebate.
1959	Supreme Court Decision	Court refuses to reinterpret the 1941 Decree to mean a maximum return of 7% on equity investment.
1972-1975	Congressional Proposals	Several proposals are again introduced into Congress seeking divestiture of integrated petroleum companies. In October 1975, such a proposal received 45 votes in the Senate.

NOTES

1. American Petroleum Institute, *Basic Petroleum Data Book, 1975,* Section XII, Table 1.

2. EL PASO CO has applied for FPC permission to change its gas line into a line carrying Standard Oil of Ohio's (Sohio) crude. However, the Sohio proposal, which requires the transfer of oil from tanker to pipeline in California, is opposed by environmentalists. A consortium of non-integrated companies has proposed an alternate route pipeline linking a delivery point in Washington or British Columbia to the Minnesota-Wisconsin region.

3. For example, READING financed 50% of the Tidewater Co's long-distance pipeline, the first in Pennsylvania. The agreement between the railroad and Tidewater stipulated that the line would not be extended to the sea for eight years, so as not to compete immediately with the railroad.

4. American Petroleum Institute, *Petroleum Facts and Figures, 1971,* p. 272.

5. U.S. Department of Commerce, Bureau of the Census, *Statistical Abstract of the United States, 1975,* Washington, DC: U.S. Government Printing Office, Table 877, p. 529.

6. American Petroleum Institute, *Petroleum Facts, 1971,* p. 272.

7. See testimony of Hoyt Haddock, Executive Director, AFL-CIO Maritime Committee, in *Anticompetitive Impact of Oil Company Ownership of Petroleum Product Pipelines,* hearings before the Subcommittee on Special Small Business Problems, Select Committee on Small Business, U.S. House of Representatives, pp. 33-44.

8. "Middle East: The Politics of Pipeline Economics," *Business Week,* April 28, 1975, p. 34.

9. Interstate Commerce Commission, Bureau of Economics, *Transport Economics,* Washington, DC, Vol. III, No. 1 (1976), p. 7.

10. Interstate Commerce Commission, *Intercity Ton-Miles, 1939-1959,* Washington, DC: April 1961, Table B-1, p. 22; idem, *Transport Economics,* Vol. III, No. 2 (1976), p. 3.

11. U.S. Department of Labor, Bureau of Labor Statistics, *Handbook of Labor Statistics, 1975—Reference Edition,* Washington, DC: U.S. Government Printing Office, Table 87, p. 199.

12. Interstate Commerce Commission, *Annual Report of the Interstate Commerce Commission, 1972,* Table 15, p. 142; idem, *Annual Report, 1973,* Table 15, p. 140; idem, *Annual Report, 1975,* Table 15, p. 130.

13. See respective introductions for returns on investment and equity for railroads, motor carriers and water carriers.

14. See "The ICC is Digging into the Oil Pipelines," *Business Week,* March 22, 1976.

15. See "The Oil Giants: An Irresistible Target," *Forbes,* January 15, 1976, pp. 20-29.

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Freight Forwarders

I. INDUSTRY STRUCTURE

A. Classifications

Freight forwarding is a transportation service that facilitates the movement of small shipments by railroads, ships, trucks, and airplanes.* This service is performed in three stages. First, the forwarder picks up freight from different customers within one area and assembles them into consolidated shipments at a centrally located terminal. Second, these consolidated shipments are turned over to intercity carriers which provide the long-distance transportation at bulk rates.** Finally, at the other end of the passage, the forwarder breaks down the consolidated shipment into smaller packages which are then delivered to their respective local destinations. Freight forwarders are considered "indirect carriers" since they primarily utilize the transport service of other intercity carriers.

The freight forwarding industry is divided into two broad classes: surface and air. Surface forwarders utilize motor, rail, and water transportation while air forwarders rely upon commercial airlines to provide intercity transport. Freight forwarding companies are regulated according to the transportation mode primarily utilized in their operations. Consequently, they are subject to regulation by either the Interstate Commerce Commission (ICC), the Federal Maritime Commission (FMC) or the Civil Aeronautics Board (CAB).

In this introduction we discuss only the operations of forwarders regulated by the ICC and CAB. Those marine freight forwarders (also known as non-vessel operating water common carriers or NVO) subject solely to FMC regulation are excluded because that agency does not publicly release comparable information.

B. Transport Geography

Utilizing the services of a variety of transport modes, freight forwarders can handle traffic bound for numerous national and international destinations. However, regulatory restrictions prevent forwarders from serving certain domestic areas (see Section III-B). Pick-up and delivery service does not require an ICC motor carrier operating certificate if it is confined to a geographic area surrounding the forwarder terminal. Air freight forwarders may generally serve an area within a 25-mile radius of their airport terminals. The trucking operations of surface forwarders cannot extend beyond "terminal areas" or "commercial zones" designated by the ICC. Consequently, forwarders cannot serve certain suburban areas without receiving an ICC motor carrier operating certificate.

Air freight forwarder traffic information indicates that more than 90% of domestic traffic moves in an east-west direction.[1] The principal domestic cities of origin or destination are New York, Chicago, and Los Angeles. Since World War II, air forwarders have extended their operations to major foreign cities located principally in the Caribbean and Europe. San Juan, Puerto Rico is the most important city of origin and destination for U.S. international air forwarder traffic.[2] (See Section II-B for discussion of the relative importance of international operations.)

C. Concentration

Several factors make it difficult to precisely determine the degree of concentration in the forwarding industry. Public reports containing financial and operating statistics are not available for all forwarding companies. A number of smaller companies regulated by the CAB and ICC do not file detailed public reports.[3] Thus it is the operations of ICC-regulated Class A companies, with revenues exceeding $100,000, combined with those of CAB-regulated forwarders, with revenues greater than $50,000, which must be taken as the industry total—a figure that reached $1.9 billion in 1974.[4]

According to this definition of the industry, there were more than 280 surface or air forwarding companies in 1974. The forwarding industry thus exhibits a degree of corporate fragmentation second only to that of motor carriers among the transportation modes discussed in this Directory.

The industry is nevertheless concentrated to a significant extent. The largest four operators on the CDE Freight Forwarder Operator Chart received 27.43% of the industry's 1974 revenues and the top eight companies had 38.44%. When market shares are calculated by combining the revenues of commonly-owned operators, the industry's concentration is increased to 35.30% for the largest four and 49.86% for the top eight companies (see Table FF-I).

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* A small shipment is a shipment of any commodity that fails to fill the basic unit of transport, such as a railroad car or truck trailer. Also known as less-than-carload (LCL) railroad freight and less-than-truckload (LTL) motor carrier freight, LCL or LTL freight is defined by the Interstate Commerce Commission as any shipment that weighs less than 10,000 pounds.

**"Transport carrier" or "carrier" hereafter refers to those agencies that directly provide intercity transportation of goods (e.g., railroads, trucks, airplanes, etc.).

CDE Freight Forwarder Operator Chart: Top 20 Ranked by Revenues, 1974

Operator	Ultimate Parent[1]	Forwarder Operating Revenues ($000)	Cumulative % of Total[2]	Forwarder Assets ($000)	Forwarder Debt ($000)	Debt/ Asset Ratio	Additional Information
1. EMERY AIR FREIGHT CORP	–	230,154	12.06	63,830	None	–	
2. AIRBORNE FREIGHT CORP	–	108,363	17.73	28,171	151	0.5	
3. Universal Carloading & Distributing Co	TRANSWAY INTERNATIONAL CORP	103,059	23.13	12,643	1,100	8.7	
4. AIR EXPRESS INTERNATIONAL CORP	–	82,007	27.43	16,896	4,500	26.6	
5. WTC AIR FREIGHT	–	80,481	31.64	20,563	131	0.6	
6. United Parcel Service Co	UNITED PARCEL SERVICE OF AMERICA INC	79,816	35.82	3,469	None	–	
7. Western Carloading Co Inc	TRANSWAY INTERNATIONAL CORP	66,898	39.33	10,109	None	–	
8. Acme Fast Freight Inc	THOMAS NATIONWIDE TRANSPORT LTD*	62,947	42.63	7,543	None	–	
9. Republic Freight System Inc	REPUBLIC INTERMODAL CORP	54,775	45.50	11,457	5,204	45.4	
10. Shulman Air Freight Inc	SHULMAN TRANSPORT ENTERPRISES INC	52,395	48.24	14,007	2,533	18.1	
11. AMERFORD INTERNATIONAL CORP	–	46,628	50.68	5,377	645	12.0	
12. JET AIR FREIGHT	–	45,917	53.09	10,994	1,325	12.1	
13. CLIPPER EXXPRESS CO	–	40,894	55.23	8,251	1,384	16.8	
14. Stor Dor Freight System Inc	TRANSWAY INTERNATIONAL CORP	35,660	57,10	3,284	None	–	
15. National Carloading Corp	TWO HUNDRED & ONE ELEVENTH AVE CORP* (90.1%)	31,983	58.77	12,521	152	1.2	
End of CDE Sample Operator List							
16. Burlington Northern Air Freight Inc	BURLINGTON NORTHERN INC	30,208					
17. Merchant Shippers Inc	TRANSWAY INTERNATIONAL CORP	30,166					
18. Lifschultz Fast Freight Inc	–	28,129					
19. Yellow Forwarding Co	YELLOW FREIGHT SYSTEM INC	26,041					
20. Circle Airfreight Corp	The Harper Group	24,959					

* Control over operator is exercised through one or more intermediaries.

[1] For operators ranked 1 through 15 ultimate parent controls 100% of voting stock unless otherwise indicated.

[2] Percent of total industry revenue, which was estimated at $1,909,000.

SOURCE: Interstate Commerce Commission, Bureau of Accounts, "Statement No. 950" (1974), mimeographed; F-1 Annual Reports filed with the ICC for year's end 1974; Form 244 filed with the CAB for midyear and year's end 1974.

Concentration is even more pronounced among air freight forwarders. In 1974, the largest four companies had 49.26% and the top eight 71.36% of air forwarder revenues. While the surface sector of the industry is relatively less concentrated, one company received 22.17% of total surface forwarding revenues (see Table FF-II).

D. Corporate Structure

Because freight forwarders are small companies, they are generally not publicly-held. The larger operators, however, tend to issue public stock. Of the 15 operators on the CDE List, 12 are either corporations with publicly-held stock or subsidiaries of public corporations. For the most part, controlling equity in these companies is held by a small number of stockholders (see individual company profiles).

Companies which began their operations in the forwarding industry have generally not diversified to any great extent. An exception is TRANSWAY INTERNATIONAL CORP, one of the largest and oldest surface forwarders, which has expanded into local trucking, marine transportation, trailer manufacturing and natural gas transportation. More recently, however, firms in the trucking and railroad industries have established subsidiaries to operate as surface and air forwarders, thereby bringing corporations with greater financial resources into the forwarding industry.

II. ECONOMIC DYNAMICS

A. Historical Development

The first great expansion of forwarding operations occurred during World War I. At that time, small shipments were handled primarily by railroads as less-than-carload freight (LCL). At first, railroad companies opposed freight forwarders as a threat to their LCL traffic. However, with the expansion of traffic associated with the war effort, railroads relegated the handling of LCL traffic to a secondary position, thus allowing forwarders to expand their services.[5] The difference between the railroad's charge for carload freight and the forwarders charge for small shipments was large enough for forwarders to earn a profit.[6]

The development of motor carrier transportation during the 1920's and 1930's provided the industry with its second wave of growth. Prior to the general use of motor trucks, forwarding operations were generally conducted within the confines of railroad terminals. Through the utilization of trucks, forwarders extended their services to include local pick-up and delivery. Motor carriers also emerged as strong competitors in the small shipment market. In diverting traffic formerly handled by the railroads, motor carriers siphoned off shipments traditionally consolidated by forwarders utilizing railroad transportation. While a number of forwarders began using motor carriers for intercity transportation, the forwarders' profit margin on this traffic was smaller than on its railroad traffic, thereby undermining their financial viability.[7]

The growing importance of air freight service following World War II was the cause of the third period of expansion. Handling mostly shipments possessing a high value per unit of weight, with a premium placed on speed, the number of forwarding companies specializing in air freight increased during the late 1940's and 1950's. Air freight generates a large portion of the small shipment market revenues, relative to its percentage of total tonnage, because shippers pay substantially higher prices in return for faster service. Thus air freight forwarding has emerged as the more dynamic sector of the industry in terms of revenue growth.

B. Market Trends

In assembling small freight into consolidated shipments, freight forwarders offer small shippers an expedited transport service. Generally, the various transport carriers discount their rates for volume shipments. The basis for the forwarder's profit lies in the difference between the lower rate which the forwarder pays to the transport carrier for volume shipments, and the higher rate which the shipper pays to the forwarder for small shipments. (This difference is also known as the forwarder's spread.) At the same time, the carriers which transport the consolidated shipments of freight forwarders are themselves competing for a share of the small shipment market. Hence, freight forwarders are in a contradictory position. On the one hand, they utilize the services of transport carriers; on the other hand, they must compete with these same carriers in the small shipment market. Developments in the freight forwarding industry are therefore closely related to the handling of small shipments by different transport carriers. In effect, forwarders must compete with motor carriers, airlines, railroads, the UNITED PARCEL SERVICE, and the United States Parcel Post.*

Since 1950, the predominant element in the small shipment market has been motor carriers, which handle from 60-80% of tonnage and earn from 40-60% of total small shipment revenues (see Table MF-X). Over the same period, forwarders have continually occupied the second position in the market with 4.5-5.6% of tonnage and 11-16% of revenues (see Table FF-III). The forwarding industry, however, has been marked by uneven development; the surface sector has experienced sluggish growth while the air sector has recorded significant revenue gains.

1. Surface Sector

A number of factors have worked to inhibit the growth of the surface forwarding sector. First, ICC regulations confine forwarders' local pick-up and delivery to terminal areas (see Section III-A). Consequently, forwarders cannot provide full service to shippers which have relocated to urban peripheries or suburban areas. Second, this sector has primarily utilized rail transport and therefore is dependent upon the quality of railroad service. The decline in northeast rail service clearly had some impact on forwarding operations. Finally, motor carrier competition has all but forced the railroads out of the small shipment market and indirectly diverted traffic away from some surface forwarders.

Between 1955 and 1971, annual surface forwarding tonnage fell from 4.7 million to 3.2 million.[8] This long-term stagnation has been offset to some extent by more dynamic growth during the last several years. Between 1971 and 1974 tonnage increased 53% and revenues 78%, a growth which may be attributed, in part, to the increase in household goods handled by forwarders.[9]

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* REA Express, formerly an important small shipment competitor, declared bankruptcy in 1975 and was liquidated later that year.

2. Air Sector

Air freight forwarding has been the more dynamic sector of the industry. The impetus for growth has been the rapid expansion of cargo carrying capacity of the commercial airlines. In particular, the introduction of jet freighters during the early 1960's greatly facilitated the handling of air cargo and signaled a large commitment by the airlines to enter the freight market. While the commercial airlines compete for small shipments, the specialized operations of air forwarders represents a distinctive transportation service.

Between 1955 and 1974, air freight forwarders increased their tonnage by more than 400% and their revenues by 3,500%. While airlines handle the bulk of air cargo tons, accounting for approximately 70% of the total, air forwarders have slightly increased their share of air traffic over the decade 1963-1972 (see Table FF-IV). International operations have also expanded during this same decade, but this traffic has not kept up with the expansion of domestic operations (see Table FF-V). In 1972, 85.4% of tonnage and 83.1% of forwarding revenues were generated by domestic business.[10]

3. Inter-Sectoral Dynamics

The relationship between the two sectors of the forwarding industry has changed during the past 20 years. Generating 3.4% of the tonnage handled by forwarders in 1955, the air sector presently accounts for 11.8% of this total. Similarly, air forwarding revenues now represent 36.9% of the total, compared to 4.3% in 1955. However, the more dynamic growth in the surface sector between 1971 and 1974 has partially offset this 25-year trend (see Table FF-VI).

Prospects for the total forwarding industry depend largely upon government regulation, the freight service of transport carriers, and new competition for small shipment traffic. Regulatory changes have been proposed to redefine the ICC prescribed "terminal areas" so that forwarders could serve a greater number of shippers from one terminal (see Section III-A). Both surface and air forwarders would benefit from such a change. Furthermore, government efforts to revitalize the nation's railroad system could conceivably improve surface forwarding service. On the other hand, the expansion of so-called air taxis, which are exempt from CAB regulation and are therefore able to serve select shippers and areas, represents a growing challenge to air forwarders (see Section III-B). All in all, government regulation may well prove to be decisive for the future of the freight forwarding industry.

C. Labor

Detailed information on employment categories, compensation, long-term trends, etc. is not generally available for the total freight forwarding industry. Statistics from the Interstate Commerce Commission indicate that total employment in the surface sector was 11,213 and average compensation per employee was $11,709 in 1974.[11] Comparable data on air forwarders is not published. Seven of the larger air forwarders collectively employed 9,863 persons, a figure which may not be a reliable gauge of total air forwarding employment since it includes a sizeable number engaged in non-forwarding activities.[12]

Based on a survey of reports filed by public companies included in the CDE Directory, the International Brotherhood of Teamsters appears to be the largest union for workers subject to collective bargaining.

D. Technological Developments

Containerization is one of the more important innovations affecting the freight forwarding industry. Freight forwarders commonly utilize different transport carriers to complete delivery of one shipment. Most often trucks are combined with railroads, water carriers and airlines to provide customer-to-customer freight service. Containerization, which refers to both the use of containers and truck-trailers, permits the rapid transfer of freight among different transport carriers and thereby improves forwarding service. (See Railroad Introduction, Section II-E, for a description of containerization.)

Surface forwarders have widely adopted containerization, in particular the use of truck-trailers (piggybacking), to speed service and reduce costs. According to TRANSWAY INTERNATIONAL CORP, the largest surface forwarder, 85% of its domestic freight is transported via piggyback. The ICC has also noted the increasing use of truck-trailers by all surface forwarders. Similarly, the use of intermodal containers has become more common in the air sector. The introduction of jet freighters, especially the all-cargo 747's, permits air forwarders to utilize containers of varying sizes.

Another notable technological development is the increased utilization of sophisticated communication and data-processing equipment. Many larger companies have computerized the tracking of shipments. These systems have become an important element in a business where a large number of small shipments, physically transported by another corporate entity, must be quickly and accurately located.

E. Financial Performance

It is difficult to compare the financial performance of freight forwarders to that of other transport modes. The Interstate Commerce Commission's rate of return figures, which measure the relation of net operating income to net investment in transportation property, cannot be applied to the entire forwarding industry. In the case of air forwarders, it is not possible to distinguish assets directly employed in forwarding from total assets; consequently, a net investment in transportation property cannot be calculated. Furthermore, comparisons between the two forwarding sectors cannot easily be drawn, since the CAB and ICC use different methods of calculating financial returns.* To ascertain the financial performance of the forwarding industry, it is therefore necessary to compare the performance of each sector to that reported for manufacturing.

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* The CAB uses profit before taxes to measure financial return while the ICC uses a net income figure (after taxes).

For both sectors of the industry, the relation of profit to stockholders' equity has been consistently higher than the comparable relation for manufacturing firms. Between 1960 and 1973, the percentage of surface forwarders' net income to stockholders' equity was in the 15-25% range with the exception of 1970, when the industry as a whole reported a deficit. This compares to the 9-13% range reported for manufacturing companies during the same period (see Table FF-VII). Between 1965 and 1972, the percentage of air forwarders' total profit before taxes to stockholders' equity ranged between 30-60%, compared to a 15-20% range for all manufacturing companies (see Table FF-VIII).

The concentration of profits among the largest companies, reflecting the industry's market concentration, is found in both sectors. In 1972, the 12 largest companies had an aggregate profit of $21.77 million. Because of the losses of smaller operators, however, the pre-tax profits of the entire air sector were only $10.27 million (see Table FF-IX). Profits are more evenly distributed in the surface sector, with the largest 12 companies accounting for 54% of the sector's profits.[13]

III. GOVERNMENT INVOLVEMENT

The freight forwarders discussed in this introduction are regulated by either the Interstate Commerce Commission or the Civil Aeronautics Board, depending on which transportation services they primarily use. Forwarders utilizing ICC-regulated railroads, motor carriers, or water carriers are subject to the Commission's authority, while companies that primarily use airlines are CAB-regulated. Since forwarders often arrange for the movement of goods by several different types of transport carriers, a number of companies are regulated by both agencies. In effect, forwarders are regulated in the same manner as other transport carriers. (See Table FF-X for chronology of government involvement.)

A. Market Control

ICC and CAB control over entry to the forwarding industry is not overly restrictive. Perhaps the distinguishing feature of this aspect of forwarding regulation is the relative ease of entry, compared to the regulation of the motor carrier industry (see Motor Carrier—Freight Introduction, Section III-B). The number of Class A surface forwarders more than doubled between 1965 and 1973. In contrast to its regulation of airlines, the CAB does not require that forwarders possess an "operating certificate of public convenience." Beginning in the 1960's, the CAB further relaxed market restrictions by granting air forwarder applications of motor carriers and railroads.

Both agencies exempt certain parties from regulation even though they act, in effect, as freight forwarders. Certain cooperative associations, groups of shippers that consolidate or distribute freight for their members (shipper associations), and parties handling certain agricultural goods (e.g., livestock) are exempt from ICC regulation. In the context of surface forwarding, the operations of these exempt parties are considerable; shipper associations and similar parties tendered 6.8 million tons of freight to railroads, compared to 4.0 million tendered by freight forwarders in 1974.[14]

An exemption contained in the Civil Aeronautics Act of 1938, which is the basis for air forwarder regulation, applies to the operations of "air taxis." Designed originally to protect the community service of small airlines (air taxis must not operate planeloads which exceed 7,500 lbs.), the exemption has been used by a number of air carriers to offer unregulated air freight service. Federal Express, perhaps the largest of these air taxis, offers national freight service, handling more than 19,000 packages daily and generating annual sales of nearly $100 million. Proposed legislation, supported by both the CAB and the National Industrial Traffic League (an influential shippers' trade association), would allow air taxis to fly planes carrying heavier loads. If enacted, the bill would greatly intensify the competition for air freight.[15]

B. Terminal Areas

The local trucking operations of freight forwarders normally begin or complete a longer transport movement across state lines, and are therefore considered an integral part of interstate commerce. However, the motor carrier operations of both surface and air forwarders are exempt from the ICC's trucking regulations, subject to certain provisions.*

The Commission determines whether a forwarder is eligible for a trucking exemption. Generally, motor carrier operations conducted within ICC-defined "commercial zones" or trucking services radiating 25 miles from an airport terminal are exempt. If a forwarder seeks to expand its trucking service beyond the so-defined terminal areas, it must obtain a motor carrier operating certificate, a process which involves lengthy and expensive ICC hearings (see Motor Carrier—Freight Introduction, Section III-B). While a number of forwarding companies have motor carrier certificates, for the most part the ICC-defined terminal areas determine the scope of the industry's trucking operations.

The development of suburban industrial complexes, and the concomitant movement of industrial concerns out of the central cities, represents a growing problem for the industry. As these shippers relocate to urban peripheries, their plants are beyond the forwarders' terminal areas. Given present regulatory restrictions, it is increasingly difficult for forwarders to serve these relocated shippers. This problem is probably more acute in the surface sector, since many of these forwarders' terminals are located in the older sections of urban areas.

For a number of years, forwarding companies have pressured the ICC to modify its definition of terminal areas to allow for an expansion of exempt trucking operations. In a recent decision, the Commission agreed to expand its "commercial zones," in some cases extending the radius of exempt trucking by 15 miles. The ICC move was opposed by regulated trucking companies, who have now threatened to challenge the decision in court.

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* Operations conducted within the area of a community or locality (commercial zone exemption) and trucking service incidental to air transportation (aircraft exemption) apply to surface and air forwarders respectively.

Legislation proposed by the Department of Transportation (under the Ford Administration) would allow air forwarders to conduct motor carrier services within a 100-mile radius of airport terminals.[17] Obviously, these changes would provide a new impetus for forwarder expansion.

NOTES

1. Civil Aeronautics Board, *Air Freight Forwarding: The Decade 1963-1972,* p. 38.

2. Ibid., p. 42.

3. CAB-regulated forwarders with less than $50,000 in annual revenues are not required to file certain schedules containing detailed operating and financial information. Similarly, ICC-regulated Class B forwarders, those with less than $100,000 in annual revenues, are generally not included in the Commission's regular statistical reports. In any case, it is not likely that these smaller companies comprise a large part of the forwarder market, as measured in total operating revenues.

4. This figure was obtained by combining the revenues of Class A ICC-regulated forwarders and the larger CAB forwarding companies. Several companies report to both agencies. However this "regulatory overlap" was subtracted out in this total industry figure.

5. At first, railroads refused to quote carload rates on consignments presented to it by freight forwarders. They claimed that these consolidated shipments represented the property of several shippers. In 1911, however, the Supreme Court ruled that railroads could not deny freight forwarders bulk shipment rates. Stuart Daggett, *Principles of Inland Transportation,* p. 680.

6. Railroad companies acquired a controlling interest in several large freight forwarders. The two largest forwarding companies, Universal Carloading and Distributing Co and National Carloading Corp, with 74% of the industry's 1936 revenues were both controlled by railroads. Concluding its investigation of the industry, the ICC ordered railroad companies to divest themselves of their forwarding interests. Frank L. Barton and R. Bruce McGehee, "Freight Forwarders," *Harvard Business Review,* Spring 1942, pp. 337-341.

7. The difference between the railroads' published rate for bulk shipments and its rate for LCL traffic was large enough for a forwarding profit. However the rate structure of motor carriers did not provide for such a "spread." Freight forwarders consequently negotiated with motor carriers for rates below the published charge. This practice was eventually declared to be illegal by the courts during the 1930's, resulting in the bankruptcy of a number of forwarding firms.

8. Interstate Commerce Commission, *Transport Economics,* Volume II, No. 3 (1975), p. 2.

9. Interstate Commerce Commission, *Annual Report of the Interstate Commerce Commission, 1973,* Washington, DC: U.S. Government Printing Office, p. 43.

10. Civil Aeronautics Board, *Air Freight Forwarding,* Tables 7, 8, and 38.

11. Interstate Commerce Commission, *Annual Report, 1973,* p. 129.

12. These companies include: AIRBORNE FREIGHT CORP, AIR EXPRESS INTERNATIONAL CORP, AMERFORD INTERNATIONAL CORP, EMERY AIR FREIGHT CORP, JET AIR FREIGHT, SHULMAN TRANSPORT ENTERPRISES INC, and WTC AIR FREIGHT.

13. Interstate Commerce Commission, "Statement No. 950" (1974). Ordinary income before provisions for income taxes (and not including extraordinary and prior period items) was used as an equivalent for "pretax profit."

14. Interstate Commerce Commission, *Freight Commodity Statistics: Class I Railroads, 1974,* Washington, DC. Represents tons of revenue freight originated.

15. "Why Airlines Fear the 'Federal Express Bill'," *Business Week,* September 13, 1976.

16. See "Deregulation Hits the Urban Trucker," *Business Week,* January 17, 1977.

17. See *Motor Carrier Reform Act* (H.R. 10909; S. 2929).

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TABLE FF-I. Market Concentration Calculated by Combining the Revenues of Commonly-Owned Operators: Total Forwarding Industry, 1974

ULTIMATE PARENT/ Operating Subsidiary	Combined Revenues[1]	Cumulative Percent of Total
1. TRANSWAY INTERNATIONAL CORP	$253,354	13.27%
California Western Freight Association		
Merchant Shippers Association Inc		
Pacific Freight Forwarding Co		
Stor Dor Freight System Inc		
USAIR Freight		
Universal Carloading and Distributing Co		
Western Carloading Co Inc		
2. EMERY AIR FREIGHT CORP	230,154	25.33
3. AIRBORNE FREIGHT CORP	108,363	31.00
4. AIR EXPRESS INTERNATIONAL CORP	82,007	35.30
5. WTC AIR FREIGHT	80,481	39.52
6. UNITED PARCEL SERVICE OF AMERICA INC	79,816	43.70
United Parcel Service Co		
7. THOMAS NATIONWIDE TRANSPORT LTD	62,947	47.00
Acme Fast Freight Inc		
8. REPUBLIC INTERMODAL CORP	54,775	49.86
Republic Freight System Inc		

1. Revenues in thousands.

NOTE: Revenue for total industry is estimated.

SOURCE: Interstate Commerce Commission, Bureau of Accounts, "Statement No. 950" (1974), mimeographed; F-1 Annual Reports filed with the ICC for year's end 1974; Form 244 filed with the CAB for midyear and year's end 1974.

TABLE FF-II. Market Concentration Calculated by Combining the Revenues of Commonly-Owned Operators: Surface vs. Air, 1974

	% of Sector Revenues Accounted for by:		
Forwarder Sector	Largest Company	4 Largest Companies	8 Largest Companies
Surface	22.17%	36.04%	45.44%
Air	22.63	49.26	71.36

SOURCE: See Table FF-I.

TABLE FF-III. Freight Forwarder Percent of Small Shipment Market Tonnage and Revenues, 1950-1974

	SMALL SHIPMENT TONNAGE			SMALL SHIPMENT REVENUES		
Year	Total Market	Freight Forwarder[1]	Forwarder Percent of Total	Total Market	Freight Forwarder[1]	Forwarder Percent of Total
1950	87,047	4,204	4.83%	$ 2,431,046	$ 299,209	12.31%
1955	78,616	4,860	6.18	3,203,376	419,458	13.09
1960	78,031	4,265	5.47	3,528,217	457,982	12.98
1965	89,489	4,201	4.69	5,228,598	572,298	10.95
1970	91,694	4,807	5.24	7,407,703	943,701	12.74
1971	91,985	4,259	4.63	8,269,843	987,549	11.94
1972	97,106	4,954	5.10	9,416,422	1,209,824	12.85
1973	99,252	5,274	5.31	10,195,485	1,533,572	15.04
1974	102,925	6,783	6.59	10,790,424	1,761,483	16.32

[1] Includes both air and surface forwarders.

NOTE: Tonnage and revenue figures in thousands. Small shipment market totals include the operations of regulated motor carriers, railroads, buses, water carriers, commercial airlines, UNITED PARCEL SERVICE, Railway Express Service, Parcel Post, and freight forwarders.

SOURCE: Interstate Commerce Commission, *Transport Economics*, January 1973, pp. 5-6; idem, *Transport Economics*, Vol. III, No. 3 (1976), pp. 17-18.

TABLE FF-IV. Percent of Domestic Air Cargo Generated by Air Forwarders, 1963-1972

Year	Total Air Tonnage	Air Forwarder Tonnage	Air Forwarder Percent of Total
1963	594,644	127,041	21.4%
1964	734,570	162,161	22.1
1965	930,366	217,768	23.4
1966	1,081,085	238,328	22.0
1967	1,182,046	294,524	24.9
1968	1,419,933	390,863	27.5
1969	1,581,627	512,304	32.4
1970	1,888,146	634,719	33.6
1971	1,947,418	606,503	31.1
1972	2,248,393	720,062	32.0

SOURCE: Civil Aeronautics Board, *Air Freight Forwarding: The Decade 1963-1972*, p. 106.

TABLE FF-V. Relative Importance of International Traffic to Air Forwarder Tonnage, 1963-1972

Year	Total	Domestic	International	International Percent of Total
1963	160,454	127,610	32,844	20.47%
1964	200,278	163,115	37,163	18.56
1965	270,366	218,412	51,954	19.22
1966	291,645	238,772	52,873	18.13
1967	350,129	294,605	55,524	15.86
1968	465,793	391,003	74,790	16.06
1969	598,755	512,482	86,273	14.41
1970	730,342	639,533	90,809	12.43
1971	728,297	616,379	111,918	15.37
1972	854,687	729,934	124,753	14.60

SOURCE: Civil Aeronautics Board, *Air Freight Forwarding*, p. 105.

TABLE FF-VI. Small Shipment Traffic of Air and Surface Forwarders, 1955-1974

	SMALL SHIPMENT TONNAGE			SMALL SHIPMENT REVENUES		
Year	Forwarder Total	Surface Forwarder Percent	Air Forwarder Percent	Forwarder Total	Surface Forwarder Percent	Air Forwarder Percent
1955	4,860	96.6%	3.4%	$ 419,458	95.7%	4.3%
1960	4,265	96.1	3.9	457,982	95.4	4.6
1965	4,201	95.1	4.9	572,298	80.3	19.7
1970	4,807	87.4	12.6	943,701	63.0	37.0
1971	4,259	85.5	14.5	987,549	59.5	40.5
1972	4,954	85.9	14.1	1,209,824	60.1	39.9
1973	5,274	85.1	14.9	1,533,572	62.8	37.3
1974	6,783	88.2	11.8	1,761,483	63.1	36.9

NOTE: Revenue and tonnage figures in thousands.

SOURCE: See Table FF-III.

TABLE FF-VII. Return on Shareholders' Equity: Surface Forwarders and Manufacturing Companies, 1950-1973

	SURFACE FORWARDERS			MANUFACTURING COMPANIES
Year	Net Income[1]	Shareholders' Equity	Net Income to Equity	Profit to Equity[2]
1950	$ 4.6	$14.8	31.08%	15.49%
1955	4.3	19.5	22.05	12.57
1960	2.8	19.3	14.51	9.19
1965	11.4	19.5	58.46	13.00
1970	(1.9)	18.9	def.	9.32
1971	5.3	25.0	21.20	9.75
1972	8.5	53.2	15.98	10.63
1973	11.0	57.3	19.20	12.86

[1] After 1970, ordinary income before adjustments for extraordinary and prior period items.

[2] Profit is after taxes.

NOTE: Net income and profit figures in millions.

SOURCE: Interstate Commerce Commission, *Transport Economics*, Vol. II, No. 3 (1975), pp. 4-5; U.S. Department of Commerce, Bureau of the Census, *Statistical Abstract of the United States, 1975*, Washington, DC: U.S. Government Printing Office, Table 832, p. 505.

TABLE FF-VIII. Return on Net Worth (Shareholders' Equity): Air Forwarders and Manufacturing Companies, 1965-1972

	AIR FORWARDERS			MANUFACTURING COMPANIES
Year	Total Profit[1]	Net Worth	Profit to Net Worth	Profit to Equity[2]
1965	$10.9	$ 17.8	61.24%	21.97%
1966	9.6	25.3	37.94	NA
1967	9.4	28.9	32.53	19.31
1968	14.5	34.9	41.55	20.83
1969	21.6	49.2	43.90	20.04
1970	25.9	61.6	42.05	15.68
1971	33.9	105.7	32.07	16.58
1972	51.6	118.9	43.40	18.40

1. Before taxes. Includes profit from non-forwarding operations.

2. Profit is before taxes.

NOTE: Profit and net worth figures in millions.

SOURCE: Civil Aeronautics Board, *Air Freight Forwarding*, p. 71; U.S. Department of Commerce, Bureau of the Census, *Statistical Abstract, 1975*, Table 832, p. 505.

TABLE FF-IX. Distribution of Air Forwarders' Profit by Company Size, 1972

Revenue Class	Total Number of Forwarders	Forwarders Reporting a Profit[1]	Forwarders Reporting a Loss	Net Profit or (Loss)
$0-24,999	25	12	13	$ (114)
25,000-49,999	10	8	2	3
50,000-99,999	18	11	7	(296)
100,000-249,999	28	12	16	(753)
250,000-499,999	26	16	10	(539)
500,000-999,999	30	17	13	(990)
1,000,000-2,499,999	19	12	7	(2,485)
2,500,000-4,999,999	7	1	6	(2,347)
5,000,000-9,999,999	10	4	6	(3,848)
10,000,000 and over	12	8	4	21,769
Total	185	101	84	10,402

1. Profit and loss before taxes.

2. One forwarder in revenue class $0-24,999 and one forwarder in revenue class $25,000-49,999 reported a break-even operation.

NOTE: Profit and loss figures in thousands.

SOURCE: Civil Aeronautics Board, *Air Freight Forwarding*, p. 94.

TABLE FF-X. Chronology of Government Involvement in Freight Forwarding, 1911-1977

Date	Event	Comment
1911	U.S. Supreme Court Decision	Court rules that railroads cannot deny forwarders bulk shipment rates. Freight forwarding consequently becomes an economically viable operation.
1935-1938	Interstate Commerce Commission (ICC) Decision	Following the establishment of ICC trucking regulation, the Commission prohibits the practice of rate divisions between trucks and forwarders. These "joint-rate" agreements had been widely used since the 1920's to insure that forwarders earned a profit on their motor carrier shipments.
1936-1938	ICC Investigation	In a general review of the surface forwarding industry, the Commission found special concessions, rebates, payoffs and other questionable practices to be common in rail-forwarder relations. Consequently, the Commission ordered railroad companies to sell their investment in freight forwarders.
1938	Civil Aeronautics Act	Although forwarders were not specifically mentioned in legislation authorizing federal regulation of the airline industry, this act became the legal basis for subsequent air forwarder regulation.
1941-1942	Civil Aeronautics Board Decision	Railway Express Agency (REA) allowed to provide air express service as indirect air carrier. In a subsequent decision, the CAB refused similar authority to another applicant, thereby leaving REA as the only authorized air forwarder until 1948.
1942-1950	Amendments to the Interstate Commerce Act	In 1942, surface forwarders become ICC regulated. In a 1950-Amendment, forwarders are defined as common carriers, thereby permitting them to effect joint-rate agreements with motor carriers.
1948	CAB Decision	CAB approves numerous applications from companies seeking to operate as air forwarders. Authorizations are issued on a temporary basis and regulatory and operating requirements are established.
1955	CAB Decision	After a review of the air forwarding industry, CAB extends existing authorizations indefinitely. Market restrictions are relaxed and railroad subsidiaries are granted air forwarder authorizations.
1964-1968	CAB Decision	CAB further relaxes its market restriction allowing motor carrier subsidiaries to operate as air forwarders.
1973-1974	ICC and CAB Decisions	Commission decides not to renew special shipping agreements made between REA and other regulated carriers. The following year, the CAB reaches a similar decision. Thereafter, forwarders can compete more easily against REA.
1977	ICC Decision	Commission redefines its "commercial zones" allowing forwarders to expand their regulation-exempt trucking operations.

Water Carriers

I. INDUSTRY STRUCTURE

A. Classifications

The U.S. waterborne transportation industry is divided into two broad categories: domestic and international. (See Table WC-I for breakdown of classifications.) Unlike other transport modes, however, detailed financial and operating statistics on the largest corporations active in this industry are not generally available. This is due to the fact that the vast majority of water carriers are not subject to public utility-type regulation.

1. Domestic Transport

Domestic water transportation is performed on inland rivers, the Great Lakes, coastal waters and on ocean routes between the mainland and outlying U.S. states or territories such as Alaska, Hawaii, and Guam (domestic offshore). Transportation on these routes is restricted to U.S.-flag carriers, which are ships owned by U.S. incorporated companies, manned by U.S. crews, and registered under the marine laws of this country. The Interstate Commerce Commission (ICC) regulates carriers operating on inland, Great Lakes, and coastal routes. Domestic offshore transport is subject to Federal Maritime Commission (FMC) authority. While waterborne carriers are regulated in a way similar to railroads and motor carriers, exemptions are numerous—ships transporting their own goods (private carriers) and vessels hauling no more than three bulk commodities in one trip are unregulated. The overwhelming majority of domestic water carrier ton-miles is generated by unregulated carriers.[1]

2. International Transport

Carriers participating in the U.S. international trade travel between points in this country and the rest of the world. Both U.S. and foreign-flag carriers participate in this market. A significant number of ships flying the flags of other nations are actually owned by U.S. companies (see Section I-C). The FMC has jurisdiction over some aspects of international shipping but does not exercise classic transportation regulatory authority.

3. Carrier Types

The U.S. fleet consists of a variety of vessels including tugs and barges that ply inland rivers, special ships fitted for Great Lakes service, and ocean-going vessels in the coastal, domestic offshore, and foreign trades. Carriers are also classified according to the type of traffic handled. Bulk carriers generally transport mineral or agricultural products and are subdivided into dry-bulk carriers, which haul ore or grain, and liquid-bulk carriers, which transport petroleum or liquified natural gas. General cargo carriers handle various manufactured goods and specialized carriers haul specific commodities such as sugar, automobiles, or lumber.

B. Transport Geography

The 25,000 miles of navigable waterways make the U.S. system the second largest in the world. The main artery of this waterway network is the Mississippi River System, which includes the Mississippi, Illinois, Missouri, and Ohio rivers. This 9,000 mile waterway connects Chicago, which sits at the foot of Lake Michigan, to the Gulf Coast port of New Orleans. The Great Lakes-St. Lawrence Seaway System is the nation's second most important waterway. This system extends more than 2,000 miles from western Lake Superior to the Atlantic Ocean, and more than 90% of its 95,000 square miles are navigable. The Lakes serve both the domestic industrial northeast traffic and provide a water route for grain exports. Atlantic, Gulf, and Pacific intracoastal waterways constitute the remainder of the system with more than 15,000 route miles. Most of the inland waterway traffic, however, travels on the Mississippi and Great Lakes which accounted for more than 75% of ton-miles in 1974.

U.S. waterborne foreign trade depends primarily upon Third World countries for imports and developed countries for exports. South America, the Caribbean, and Middle East accounted for more than half of 1975 imported tonnage, while Japan, Northern Europe, and Canada received the majority of U.S. exported tonnage (see Table WC-II). This international trade is primarily centered around the Gulf and Atlantic ports; the two regions received more than 75% of total foreign trade tonnage handled in 1973 (see Table WC-III). Furthermore, 8 of the 10 largest port cities are located on these two coasts (see Table WC-IV).

C. Concentration

It is difficult to measure corporate concentration in the U.S. water transportation markets. In the first place, although foreign-flag carriers predominate in U.S. international trade, these carriers are not required to submit detailed financial reports to U.S. authorities. Second, while domestic offshore trade is regulated by the FMC, that agency does not publicly release the financial and operating information it collects. Finally, of the small segment of the industry that is ICC-regulated, figures for 1974 indicate that the top four and eight operators had 43.38% and 61.52% respectively of total ICC-regulated revenues (see Table WC-V).

CDE Water Carrier Operator Chart: Top 34 Listed by Revenues or Tonnage, 1974

Ultimate Parent	Parent Equity Interest	Major Subsidiary Operators	I/O[1]	Parent Consolidated Marine Operating Revenues ($000)	Number of Vessels[2]	Vessel Capacity[2]	Additional Information[3]
1. RJ REYNOLDS INDUSTRIES INC	100%*	Sea-Land Service Inc[6]	0	854,780	74 CTNS (24)	30,630 CTN	
2. SEATRAIN LINES INC[5]	–	–	0	345,422	11 CTNS 13 TBF (5)	5,453 CTN 890,000 DWT	
3. WALTER KIDDE & CO INC	100%	United States Lines Inc[6]	0	257,000[7]	39 VSL[7]	NA	Legal Counsels: Kirlin, Campbell & Keating, NY–$313; Gilmartin, Poster & Shafto, NY–$106.
4. LYKES-YOUNGSTOWN CORP	100%	Lykes Brothers Steamship Co Inc	0	236,004	41 VSL	634,983 DWT	
5. NATOMAS CO SIGNAL COS INC	99.35%	American President Lines Ltd[6]	0	222,966[7]	18 CTNS[7] 5 TBF	438,889 DWT[7]	NATOMAS CO owns 51.1% and SIGNAL COS owns 48.25%. Legal Counsels: Shea & Gardner, DC–$223; Cadwalader, Wickersham & Taft, NY–$45; McCutchen, Doyle, Brown & Enersen, CA–$43.
6. AMERICAN EXPORT INDUSTRIES INC	97.4%	American Export Lines Inc[5]	0	220,542	9 CTNS 15 VSL	323,274 DWT	Vessel and capacity figures for 3-76.
7. IU INTERNATIONAL CORP	100%	Gotaas-Larsen Shipping Corp	0	186,920	59 TBF (33)	4,106,429 DWT	Vessel and capacity figures for 12-75.
8. MACMILLAN BLOEDEL LTD	100% 100%	Canadian Gulf Lines Inc Canadian Transport Co Ltd	0 0	163,000	8 BRG 12 VSL TBF	NA 1,513,000 DWT	The TBF, the number of which is unknown, are chartered.
9. OVERSEAS SHIPHOLDING GROUP INC	100% 100% 100%	OSG Bulk Ships Inc OSG International Inc United Steamship Corp	0 0 0	154,712	39 TBF (25)[8]	2,946,550 DWT	
10. ALEXANDER & BALDWIN INC	100%	Matson Navigation Co[5]	0	152,985	15 CTNS (1) 1 TBF	216,592 DWT 24,095 DWT	
11. MOORE MCCORMACK RESOURCES INC	100%* 100%	Interlake Steamship Co Moore McCormack Lines Inc	I 0	137,359	14 VSL 11 TBF	171,564 DWT 223,000 DWT	
12. GATX CORP	100%* 100%*	American Steamship Co Marine Transport Lines Inc[4]	0 I	133,814	64 TBF (29)	2,921,475 DWT	Legal Counsel (Marine Transport Lines Inc): Cadwalader, Wickersham & Taft, NY–$135.

	Ultimate Parent	Parent Equity Interest	Major Subsidiary Operators	I/O[1]	Parent Consolidated Marine Operating Revenues ($000)	Number of Vessels[2]	Vessel Capacity[2]	Additional Information[3]
13.	TRANSWAY INTERNATIONAL CORP	100%	Coordinated Caribbean Transport Inc	0	131,729[9]	4 CTNS[9]	NA	
						3 LASH	267 CTN	
		50%	Waterman Marine Corp[5]	0		17 VSL	NA	
14.	FREIGHTERS INC	49.9%	Pacific Far East Line Inc[5]	0	118,489[7]	6 LASH[7]	NA	No information available on other voting stockholders of Pacific Far East Line Inc.
						2 CTNS	NA	
						4 TBF	NA	
15.	DILLINGHAM CORP	100%	Foss Launch & Tug Co[6]	0	117,000[10]	9 TBF (9)	215,000 DWT	Other 50% of Pacific Norse held by Norwegian firm, A/S Kristian Jebsens Rederi.
		50%	Pacific Norse Shipping Ltd	0		200 BRG	NA	
16.	CHROMALLOY AMERICAN CORP	div.	Chromalloy Transport-Marine Co	I/0	111,988	774 BRG	1,202,000 DWT	Operating revenue includes bus operations.
						21 BRG 8 TBF	2,400,184 BBLS	
17.	TRANS UNION CORP	100%	Central Gulf Lines Inc	0	100,000	16 TBF (3)	741,000 DWT	
		100%	Mammoth Bulk Carriers Ltd	0		5 LASH (3)	190,900 DWT	
							1,060 CTN	
18.	EASTERN GAS & FUEL ASSOCIATES	100%	Midland Enterprises Inc	I	95,700	1,316 BRG	NA	Legal Counsel (Ohio River, major operating subsidiary of Midland Enterprises Inc): Rose, Schmidt & Dixon, PA—$23; Hahn, Loeser, Freedheim, Dean & Wellman, OH—$22.
19.	MARITIME FRUIT CARRIERS CO LTD	–	–	0	92,890	42 REEFER (42)	17,400,000 CFT	
						7 TBF (7)	650,000 DWT	
20.	OGDEN CORP	100%	Ogden Marine Inc	0	85,692	27 TBF (14)	1,103,000 DWT	
21.	PRUDENTIAL LINES INC	–	–	0	83,000	27 VSL	285,694 GT	Operating revenue is estimated.
22.	HOLIDAY INNS INC	99%*	Delta Steamship Lines Inc[5]	0	78,887	3 LASH	122,100 DWT	
						8 TBF	84,000 DWT	
23.	TEXAS GAS TRANSMISSION CORP	100%*	American Commercial Barge Line Co[4]	I	75,574	1,127 BRG	NA	Legal Counsels: LaRoe, Winn & Moerman—$32; Jones, Walker, Waechter, Poitevent, Carrere & Denegre, LA—$15.

Ultimate Parent	Parent Equity Interest	Major Subsidiary Operators	I/O[1]	Parent Consolidated Marine Operating Revenues ($000)	Number of Vessels[2]	Vessel Capacity[2]	Additional Information[3]
24. POTT INDUSTRIES INC	div. div.	Offshore Marine Services Division Inland Waterways Transportation Division	0 I	71,595	689 BRG 14 VSL	1,020,264 DWT NA	Company also operates 53 ocean tugs and towboats and 4 crew and utility boats. Vessel and capacity figures for 12-75.
25. FARRELL LINES INC	–	–	0	66,000	NA	NA	
26. PACIFIC TRANSPORT CO	100%	States Steamship Co	0	63,067[7]	11 VSL[7]	123,699 GT[7]	
27. KIRBY INDUSTRIES INC	92.15% 100%	Dixie Carriers Inc Chemical Towing Co	I/O I/O	44,723	85 BRG 15 BRG	1,813,000 BBLS 37,600 NT	Company also operates 36 tugs and towboats. Operating revenue includes shipyard operations.
28. SEA CONTAINERS INC	–	–	0	41,512	21 CTNS (21)	42,414 DWT	
29. OGLEBAY NORTON CO[4]	div.	Columbia Transportation Division	I	37,733	18 TBF	305,025 GT	
30. DRAVO CORP[4]	100%	Union Mechling Corp[4]	I	35,987	700 BRG	NA	
31. CLC OF AMERICA INC	100%	Wisconsin Barge Line Inc	I	34,927	429 BRG	NA	
32. ITEL CORP	100%* 100%	SSI Container Corp SSI Navigation Inc	0 0	33,900	4 TBF (4)	170,000 DWT	SSI Container Corp does not own or operate vessels. It exclusively leases its 42,500 CTN to primarily steamship companies.
Other Major Water Carriers Included in CDE Sample List							
DANIEL K LUDWIG INTERESTS	100% 100%	National Bulk Carriers Inc Universe Tankships Inc	0 0	NA	50 TBF (50)	6,132,300 DWT	According to *Fortune* (11-76) Company's 50 TBF totalled 7,000,000 DWT.
UNITED BRANDS CO	100%	Fyffes Group Ltd	0	NA	40 REEFER (40)	226,747 DWT	

* Control over subsidiary operator is exercised through one or more intermediaries.

[1] I—primarily inland waterways carrier including river and/or Great Lakes service; O—primarily ocean carrier including international, domestic offshore and/or coastal service; I/O—both inland waterways and ocean carrier.

[2] The number of vessels and capacity figures correspond to the total water carrier operations of the ultimate parent unless otherwise indicated. The number of vessels operated under foreign flags, when known, is indicated in parenthesis. Abbreviations: BBLS—barrels; CFT—cubic feet; CTN—containers (or barges in the case of LASH ships); CTNS—containership; DWT—deadweight tons; GT—gross tons; LASH—"lighter-aboard-ship" vessel; NT—net tons; REEFER—refrigerated ship; TBF—tanker/bulk carrier/freighter; VSL—vessel.

[3] Legal counsels are those firms which received the largest fees from the subsidiary operator in 1974. All $ figures in thousands.

[4] Regulated by the ICC.

[5] Regulated by the FMC.

[6] Regulated by the ICC and FMC.

[7] Figure(s) for subsidiary operator.

[8] The number of vessels and total DWT do not include a 29,700 DWT petroleum barge owned by a partnership in which Company has a 50% interest, and a number of foreign-flag vessels aggregating 925,000 DWT which are "chartered-in" by Company on a long-term basis.

[9] Operating revenue includes international freight forwarding and export-import operations, but does not include the operating revenue of Waterman Marine Corp, which totalled $92,975 in 1974. The number of vessels does not include 3 tankers owned (2 under foreign flag) and 2 chartered by Company's Tropigas International Corp subsidiary, which are used for the transportation of liquified petroleum gas.

[10] Operating revenue includes shipyard operations but not the operating revenue of Pacific Norse Shipping Ltd, which totalled $17,110 in 1974. Company's share of Pacific Norse's net earnings was $2,202.

SOURCE: Annual Reports and 10-K Forms filed with the SEC for year's end 1974 and 1975; W-1 and W-4 Annual Reports filed with the ICC for year's end 1974; U.S. Department of Commerce, Maritime Administration, *Foreign Flag Merchant Ships Owned by U.S. Parent Companies.*

D. Corporate Structure

Given the preponderance of private carriers and the variety of inland, coastal, and international operators, it is difficult to generalize about the corporate structure of the industry. The largest operators, however, are typically public corporations or subsidiaries of such companies, with shipping representing but one of their activities. A number of the largest shipping fleets are owned by U.S. conglomerates (see CDE Operator Chart).

Perhaps the most conspicuous feature of the industry's corporate structure is the establishment of foreign subsidiaries that operate under so-called "flags of convenience." In a practice that became common after World War II, many U.S. companies used flag of convenience vessels to avoid the higher labor and maintenance costs associated with U.S.-flag shipping. Under the direction of a former U.S. Secretary of State, Edward R. Stettinius, maritime specialists formulated Liberia's registry laws that have since attracted large fleets of many countries.[2] These laws provide ship operators with anonymity, flexibility in hiring crews of many nations, and freedom from stringent safety standards. While Liberia is not a major sea power, its registered merchant fleet is the largest in the world. Approximately one-third of this tonnage is owned by U.S. shipping interests. The bulk of U.S.-controlled foreign-flag shipping deadweight tonnage is owned by large oil companies such as EXXON, TEXACO, and MOBIL (see Table WC-VI).*

With 706 ships having a combined 52.8 million deadweight tonnage (dwt), the U.S.-owned foreign-flag fleet dwarfs the 18 million dwt U.S.-flag fleet.[3] Combining these two fleets, U.S. shipping interests appear to control nearly 10% of the world's merchant vessel deadweight tonnage.

II. ECONOMIC DYNAMICS

A. Market Trends

Domestic waterway carriers compete primarily with railroads along inland routes and with pipelines along the coast. In the domestic offshore and foreign trades, water carriers are practically the only transport means. While airlines have become more active in the international freight market, water carriers still account for 99% of the tonnage transported abroad.

Though the majority of U.S. waterborne traffic continues to be generated by domestic trade, international tonnage handled at U.S. ports is expanding at a faster rate. Between 1950 and 1973, U.S. waterborne international traffic grew from 169 million to 767 million tons while domestic traffic grew from 651 million to 994 million tons during the same period (see Table WC-VII). Similarly, U.S. ocean transport, which includes both domestic offshore and international, is increasingly oriented towards foreign markets. By 1974, foreign trade accounted for three-fourths of total U.S. ocean trade tonnage, while in 1947 it represented a little more than half the total.[4]

Between 1950 and 1973, ton-miles carried by inland waterway carriers increased by 119% (see Table WC-VIII). This traffic growth, however, was not evenly distributed among the different waterway routes. While the Mississippi River System's ton-miles transported expanded from 33.6 billion to 155.3 billion between 1950 and 1973, traffic on the Great Lakes, which formerly represented the bulk of the inland total, showed a much smaller increase moving from 120.3 billion to 125.9 billion (see Table WC-IX). Overall, inland water carriers' share of the domestic intercity freight market has remained stable between 1950 and 1973, presently representing approximately 16% of the total.

The U.S.-flag fleet has been unable to capitalize on the growing importance of waterborne imports and exports. For more than two decades, foreign-flag carriers have captured an increasing share of this market. In 1950, U.S.-flag ships transported 39.3% of the United States' total foreign trade tonnage. After a steady decline, the U.S. fleet's share dropped to 6.4% by 1973 (see Table WC-X). Losing international traffic to foreign-flag carriers combined with the relatively stagnant growth in the domestic ocean trades, have been primary factors in the reduction of the U.S. fleet.[5]

The fortunes of the U.S.-flag fleet may be considerably improved in the near future. When the Alaskan pipeline begins operations in mid-1977, a good deal of the 1.2 million barrels of crude a day will be transported in U.S. tankers. After the crude is transported via pipeline to the Alaskan port of Valdez, tankers will then be employed to carry the oil to refineries on the West Coast or on the Gulf Coast. Under the Merchant Marine Act of 1920 (also known as the "Jones Act"), only U.S.-flag carriers can participate in the coastal trades. Thus Alaskan oil is expected to generate a boon for the U.S. maritime industry.[6] EXXON, Standard of Ohio, and other companies have already taken steps to expand their U.S U.S.-flag tanker fleets to accomodate Alaskan oil.[7]

A proposed revision of the Jones Act would also improve future prospects. Unlike other domestic offshore routes, traffic between the Virgin Islands and the mainland U.S. is not subject to Jones Act restrictions. After much pressure from the U.S. maritime industry, removal of this exemption now appears likely. If enacted, the Amerada Hess refinery located in the Virgin Islands, which is the largest refinery in North America, will have to ship its petroleum products in U.S. tankers.[8]

B. Traffic Composition

Water carriers are primarily a means for transporting freight. Less than 1% of the domestic and foreign passenger markets are represented by waterborne travel.[9] The vast majority of both domestic and foreign U.S. waterborne tonnage is generated by the transportation of mineral and agricultural products known as bulk commodities. With the exception of the Great Lakes regions, where iron ores represented 42.4% of total tonnage, oil was the most important commodity for inland water carriers in 1974, representing more than half the total tonnage (see Table WC-XI). The domestic ocean trade generated more than three-fourths of its tonnage from oil-related transport.[10] As a result of the growing demand for imported energy, 40% of foreign tonnage is generated by oil tankers (see Table WC-XII).

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* Deadweight tonnage is measured in long tons and is the difference between a vessel's loaded and lightweight displacement.

C. Labor

Employment in the shipping industry has generally declined since World War II. While a detailed breakdown of of industry employment according to categories of seamen, longshoremen, etc., is not available, total industry employment was 209,000 in 1974 compared to 230,000 in 1965.[11] Available statistics on longshoremen and merchant seamen indicate a sharper drop. With the decline of the U.S. ocean-going fleet, merchant vessel employment dropped from 56.6 thousand to 24.8 thousand between 1950 and 1974.[12] Comparable figures for inland water carriers are not published, although ICC-regulated carriers reportedly employed a little more than than 8,000 persons during the past five years.[13]

The introduction of containerized service has greatly reduced employment opportunities for longshoremen. Approximately 50,000 longshoremen currently work at U.S. ports; in 1952, the Port of New York alone employed 50,000 workers.[14]

Unions are a prominent feature of the shipping industry with employees represented by several different organizations such as the International Longshoremen's Association, International Longshoremen's and Warehousemen's Union, Seafarers International Union, National Maritime Union, International Organization of Masters, Mates, and Pilots, and the National Marine Engineers' Beneficial Association. Among the unions' major efforts are attempts to mitigate the effects of containerization on dock labor and the support of government action to revive the U.S.-flag fleet.

D. Technological Change

A number of relatively recent technological developments have expanded cargo volume per transport unit, boosted labor productivity, and reduced transit time. While most of these improvements have affected ocean transport, freight carriage on inland waterways has also undergone change. Tugboat horsepower increased almost 40% between 1967 and 1973.[15] Water carriers now employ lighter-aboard-ship (LASH) and sea-barge (SEABEE) to improve transfer of cargo from inland to ocean vessels without docking. The LASH and SEABEE concept permits ocean vessels to load on barges which have been towed out to sea by tugs. Thus both time and added costs are saved by avoiding dockside loading and unloading.

Containerization was first introduced into regular shipping service in 1966 and has radically transformed the movement of general cargo in the international shipping trades. Employing container boxes which can be quickly transferred from ship-to-rail or ship-to-truck, time-consuming and expensive cargo handling is avoided. In a variation on the same principle, roll-on and roll-off (Ro-Ro) vessels use truck-trailers in the place of containers. RoRo does not require that ships or ports be equipped with expansive container cranes and the trailers are moved via a ramp. Between 1971 and 1974, tonnage carried in containers rose by more than 250% and in sharp contrast to their share of other traffic, more than 40% of this 1974 tonnage was generated by U.S.-flag carriers (see Table WC-XIII).

Containerization has made possible new intermodal transportation services known as "landbridge" and "minibridge" which facilitate cargo movements between the Far East, North America, and Europe. In landbridge, ships provide Pacific and Atlantic Ocean transport while railroads transport the containers between the U.S. East and West coasts. In minibridge, the Atlantic ocean leg is eliminated, with ships moving between the Far East and the West Coast while railroads carry containers between inland U.S. points. As the more important of the two services, minibridge has been opposed by Gulf and Atlantic Coast port interests because it reduces use of their harbor facilities.[16] Both intermodal services have the advantage of reducing transit times by several days.

The modern supertankers are the largest man-made moving objects. Both the very-large-crude-carriers (VLCC) which have a 140,000 dwt capacity, and the ultra-large-crude-carriers (ULCC) with more than 250,000 dwt capacity, reduce unit transport costs. The largest tanker presently afloat has a capacity of 540,000 dwt allowing it to carry 170 million gallons of oil. In contrast, the tankers of World War II vintage, such as the T-2, had a capacity of 16,000 dwt.

These large tankers, however, are not yet an important factor in transporting crude to the United States. The configuration of the continental shelf along the Atlantic and Gulf coasts does not permit these large crude carriers to approach their ports and only one harbor in the United States, located in the Puget Sound, can potentially handle VLCC or ULCC tankers in the near future. A consortium of oil companies proposes to construct offshore oil terminals which will permit the supertankers to be used for U.S. crude imports. The planned Gulf Coast deepwater ports, known as Seadock and Loop, will pump crude out of the giant tankers and transport it to the shore via an underwater pipeline. As planned, the two ports will have a prospective combined maximum ability to handle 7.5 million barrels of crude per day which is more than twice the capacity of the Alaskan oil pipeline.

F. Financial Performance

Because of the lack of comprehensive financial data on the U.S. water carrier industry, it is not possible to characterize the overall industry performance. Detailed financial statistics are only present for those companies reporting to either the Securities and Exchange Commission or the ICC. The FMC does not release financial information on the companies solely within its jurisdiction.

The revenues of ICC-regulated water carriers have fluctuated between 1955 and 1974, more than doubling in the five-year period 1970-1974.[17] Return on investment and equity during these years averaged more than 10% and 13% respectively (see Table WC-XIV).

III. GOVERNMENT INVOLVEMENT

A. Financial Assistance

The water carrier industry has benefited from federal aid for more than 150 years. The earliest assistance dates back to the beginning of the 19th century when the government began a program of waterway improvements. Assistance to carriers engaged in foreign trade did not become important until the 1930's when the U.S.-flag fleet proved unable to compete with foreign-flag carriers. While other transport modes received federal aid primarily during their formative periods, federal subsidies have been an enduring feature of the water carrier industry.

Inland water carriers utilize federally constructed and maintained waterway systems. The U.S. Army Corps of Engineers is primarily responsible for maintaining navigational rights-of-way and undertaking the construction of new routes. In a program that began in 1824, the Corps expended an estimated $9 billion in support of navigation by the end of fiscal 1975.[18] In contrast to its highway support, the federal government provides funds for both construction and maintenance purposes. While total expenditures have been divided 63% for construction and 33% for maintenance, in recent years operations and maintenance costs have surpassed monies spent for capital improvements.[19]

Federal financing of waterway expenditures differs in one important respect from funding applied to other modes. Both airlines and motor carriers pay user fees which contribute to airway and highway financing. Except for tolls levied on St. Lawrence Seaway users, inland carriers are not required to pay any user charges. Consequently, other transport modes, especially the railroads, have argued for several decades that the government should institute waterway user charges.

With the passage of the Merchant Marine Act of 1936, the federal government has attempted to improve the competitiveness of U.S.-flag carriers engaged in international trade through the distribution of subsidies. In a program administered by the Federal Maritime Administration, the government provides support to the shipbuilding industry through a construction differential subsidy (CDS) and to carriers through an operating differential subsidy (ODS). Payments under both programs have amounted to nearly $6 billion with the bulk of this total expended since 1955.[20] During the fiscal year 1975, the government paid out nearly $600 million under the DCS and ODS programs.

In addition to direct financial assistance under subsidy programs the government provides other assistance to the the U.S.-flag fleet. Under a Federal Mortgage Insurance Program, the government guarantees private loans to finance shipbuilding which, according to one estimate, will amount to $7 billion in outstanding securities by the end of 1978.[21] The government also requires that all military-related traffic, 50% of foreign aid movements and other traffic generated by the government be carried in U.S. vessels.

Federal subsidization of the U.S. maritime industry has been criticized as fostering industry inefficiency. While the program has been justified by some on national defense grounds, other observers believe that national benefits of the elaborate subsidy programs are dubious.[22] The trend in recent years, however, has been to greatly expand the subsidy programs. The Merchant Marine Act of 1970 provided operating subsidies to bulk carriers transporting ore and grain, which were previously not included in the old program. This Act also attempted to encourage greater shipbuilding efficiency by progressively reducing the federal government's share of costs from 50% to 35%. However, the shipbuilding industry claimed that it could not remain competitive under the reduced ceilings and President Ford signed a bill to restore the 50% maximum.[23]

B. Regulation

Federal regulation was gradually extended to the water carrier industry in a number of legislative measures enacted between 1887 and 1940 (see Table WC-XV). While the ICC had jurisdiction over certain aspects of water carrier operations as early as 1887, federal regulation was not applied to a significant part of the industry until the Shipping Act of 1916. The present lines of regulatory authority were established after the Transportation Act of 1940 was passed.

1. Interstate Commerce Commission

ICC regulation of inland and coastal shipping was instituted under the Transportation Act of 1940. Pressure from railroads to have the Commission control inland water carrier rates was perhaps the most important factor in extending ICC authority. The Act, however, contained numerous exemptions that leave more than 90% of the industry unregulated. Excluded from federal control are private carriers, ships hauling no more than three commodities during one trip, tank vessels carrying liquid bulk commodities, and such other operations as tugboat service within one harbor, ferries, etc.

Common carriers by water are regulated in much the same way as railroads and motor carriers. Carriers must obtain certificates of public convenience and necessity and rates are subject to Commission review. The ICC does not, however, have control over abandonment of service nor does it subject common carriers to financial regulation. Contract carrier regulation is even less inclusive. The Commission does not attempt to regulate maximum rates but only requires that carriers submit minimum rates for Commission review. In practice, water carrier rates have paralleled those of railroads.[24]

2. Federal Maritime Commission

The FMC regulation of domestic offshore and international shipping was previously performed by a number of predecessor bodies. The Shipping Act of 1916 created the Shipping Board to regulate coastal and international shipping. This Act, in effect, protected shipping conferences, which are similar to railroad or motor carrier rate bureaus, from antitrust prosecution. (See Motor Carrier—Freight Introduction, Section III-B for discussion of rate bureaus.) Certain practices of the conferences were made illegal, however, such as rebating and other measures used to retaliate against independent carriers.* While regulation was performed by an independent agency during earlier years, a bureau within the Department of Commerce performed these duties for several decades. It was not until an executive reorganization which created the Federal Maritime Commission in 1961 that regulation was once again administered by an independent agency.

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* One of these practices was the use of so-called "fighting ships." If an independent attempted to charge rates below those set by the conference, the larger carriers would subsidize a "fighting ship" which would appear in port offering lower rates whenever the independent attempted to solicit traffic.

Shipping conferences organized around trade between the United States and the rest of the world are subject to FMC scrutiny. Carriers do not have to become conference members and admission cannot be denied to those seeking to join. The FMC surveys conference rates and polices practices to insure against rebating. In return for this regulation, conference members are protected from possible antitrust prosecution.

In recent years, there has been growing concern with the operations of shipping conferences. The entrance of the Soviet Union into the U.S.-Far East cargo trade as a major competitor in 1975 served as a catalyst for renewed scrutiny of conference practices. The Soviet shipping lines refused to join the conferences because of widespread rebating, and the Soviets claimed that their lower rates were not predatory. Conference members responded with the assertion that rebating was a direct result of the Soviets' lower prices. The FMC acted by beginning an investigation of rebating practices and started negotiating with the Soviets to raise their rates and join the conferences.

During the first half of 1975, the FMC levied $132,000 in fines on more than a dozen shippers or shipping companies for rebating or other rate irregularities.[25] By the following year, the FMC pressure resulted in new revelations of rebating including the disclosure by Sea-Land Service Inc that it made $19 million in "possibly illegal" payments between 1971 and 1975.[26] After convincing the Soviets that it would seriously enforce anti-rebating measures, the FMC successfully worked out an agreement whereby the Soviet ship lines would gradually join the various conferences.

While a major rate war may have been avoided, the controversy is not over. An antitrust division of the Justice Department is pressing its investigation of shipping operations on the Atlantic trade routes and a federal grand jury has begun to serve subpoenas on a number of lines.[27] The Justice Department has also indicated that it is looking at the recent U.S.-Soviet accord for possible antitrust violations.[28]

NOTES

1. In 1973, 91.3% of the water carriers' total intercity ton-miles were generated by unregulated companies. Interstate Commerce Commission, *Annual Report of the Interstate Commerce Commission, 1975*, p. 122.

2. "Liberia: A Phantom Maritime Power Whose Fleet is Steered by Big Business," *New York Times*, February 14, 1977.

3. U.S. Department of Commerce, Maritime Administration, *Foreign Flag Merchant Ships Owned by U.S. Parent Companies*, p. 1.

4. U.S. Department of Transportation, *National Transportation Trends and Choices: To the Year 2000*, p. 273.

5. The number of U.S. merchant vessels of 100 gross tons and over declined from 4,531 to 3,566 between 1950 and 1974 and the total gross tonnage of these ships dropped from 27.4 million to 14.3 million. U.S. Department of Commerce, Bureau of the Census, *Statistical Abstract of the United States, 1975*, p. 603.

6. "Hopes Ride High for the American-Flag Fleet," *New York Times*, October 3, 1976.

7. "Exxon Unit to Expand Ocean-Tanker Fleet to Carry Alaskan Oil," *Wall Street Journal*, November 15, 1976.

8. "Closing a Loophole in the Jones Act," *Business Week*, April 19, 1976.

9. Inland water carriers generated 0.31% of 1972 total domestic intercity passenger-miles. U.S. Department of Commerce, Bureau of the Census, *Statistical Abstract, 1975*, p. 562. In the same year, ocean vessels carried less than 2% of the passengers travelling between the United States and the rest of the world. If cruise ship travel is included, water carriers' share of passengers carried increases to 7%. Civil Aeronautics Board, Bureau of Accounts and Statistics, Statistical Data Division, *Supplement to the Handbook of Airline Statistics: 1975 Edition*, Washington, DC: National Technical Information Service, pp. 189 and 197.

10. U.S. Department of Transportation, *National Transportation*, p. 274.

11. U.S. Department of Commerce, Bureau of the Census, *Statistical Abstract, 1975*, p. 562.

12. Ibid., p. 601. One of the reasons cited for the decline in merchant vessel employment is the higher costs of American crews. According to Philip Loree, director of the Federation of American Controlled Shipping, which represents U.S. companies with foreign-flag fleets, it costs $1.7 million a year to man a 50,000 ton oil tanker with a U.S. crew. By comparison, a shipowner using a flag-of-convenience can operate the same vessel with cheaper crews at the following rates: Italian—$600,000; British—$500,000; Spanish—$450,000; Greek—$325,000; Filipino—$250,000. "Liberia: A Phantom Maritime Power Whose Fleet is Steered by Big Business," *New York Times*, February 14, 1977.

13. Interstate Commerce Commission, *Annual Report, 1972*, p. 139; idem, *Annual Report, 1973*, p. 137; idem, *Annual Report, 1975*, p. 127.

14. "Minibridge Shipping Is Raising Costs and Costing Jobs in New York," *New York Times*, February 27, 1977.

15. U.S. Department of Transportation, *National Transportation*, pp. 259-260.

16. "The 'Minibridge' That Makes the ILA Boil," *Business Week*, May 19, 1975.

17. ICC-regulated water carrier revenues increased at a greater rate between tween 1955 and 1974 than those of railroads, motor carriers, and oil pipelines. Interstate Commerce Commission, Bureau of Economics, *Transport Economics*, Washington, DC, Vol. III, No. 2 (1976), p. 1.

18. U.S. Department of Transportation, *National Transportation*, p. 272.

19. Ibid., pp. 277-278.

20. Gerald R. Jantscher, *Bread Upon the Waters: Federal Aids to the Maritime Industries*, p. 30.

21. U.S. Department of Transportation, *National Transportation*, p. 377.

22. For a critical study of the federal government's support of the maritime industry, see Gerald R. Jantscher, *Bread Upon the Waters*.

23. "Ford Signs Measure Restoring 50% Lid to Ship Subsidies," *Wall Street Journal*, August 3, 1976.

24. For a summary of federal regulation of water carriers, see David Phillip Locklin, *Economics of Transportation*, pp. 745-769.

25. "The Rate War With Russia," *Business Week*, June 30, 1975.

26. "Ocean Freight Payoffs," *Business Week*, September 27, 1976.

27. "U.S. Steps Up Antitrust Study of Ship Lines," *Wall Street Journal*, August 18, 1976.

28. "Justice Department Cites Antitrust Issue in U.S.-Soviet Accord on Shipping," *New York Times*, November 25, 1976.

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United States, Department of Transportation. *National Transportation Trends and Choices: To the Year 2000*. Washington, DC: U.S. Government Printing Office, January 1977.

TABLE WC-I. Breakdown of Water Carrier Operations

	ROUTES SERVICED BY:		REGULATED BY:	
	U.S.-Flag	Foreign-Flag	ICC	FMC[1]
Inland River	X		X	
Great Lakes	X	X	X	X
Coastal	X		X	
Domestic Offshore	X			X
International	X	X		X

[1] FMC does not exercise public utility-type regulation over carriers operating international service on Great Lakes and oceans.

TABLE WC-II. U.S. Waterborne Foreign Trade: Import and Export Tonnage by Trade Regions, 1975

IMPORTS			EXPORTS		
Trade Region	Tonnage	Cumulative Percent of Total	Trade Region	Tonnage	Cumulative Percent of Total
Eastern South America	116.80	27.31%	Japan	70.70	26.26%
Caribbean	62.80	41.99	Northern Europe	47.20	43.80
Middle East	44.60	52.42	Canada	31.30	55.42
Canada	43.00	62.47	Mediterranean Europe	23.60	64.19
Developing Africa	21.30	67.45	East Asia	13.90	69.35
East Asia	19.60	72.04	Eastern South America	12.30	73.92
Northern Europe	17.20	76.06	South Asia	9.50	77.45
Northern Africa	17.00	80.03	Communist Europe	8.00	80.42
Japan	11.70	82.77	United Kingdom	7.80	83.32
Mediterranean Europe	9.20	84.92	Middle East	4.50	84.99

NOTE: Tonnage figures are in millions of short tons.

SOURCE: U.S. Department of Transportation, *National Transportation Trends and Choices: To the Year 2000*, p. 384.

TABLE WC-III. U.S. Waterborne Foreign Trade Tonnage by Coastal Regions, 1950-1973

Year	Atlantic	Gulf	Pacific	Great Lakes
1950	91.3	27.7	11.4	29.0
1955	160.9	39.8	22.4	30.8
1960	180.2	64.0	42.7	35.8
1965	218.8	95.5	56.4	56.7
1970	227.8	125.0	78.4	62.3
1971	281.1	126.1	89.5	59.5
1972	312.7	143.7	90.7	60.2
1973	359.9	198.8	115.6	66.8

NOTE: Figures in millions of short tons.

SOURCE: U.S. Department of Commerce, Bureau of Census, *Statistical Abstract of the United States, 1975*, p. 596.

TABLE WC-IV. Principal Ports for Foreign and Domestic Waterborn Commerce, 1974

Ports	Tonnage Handled	Cumulative Percent of Total
1. New York	195.1	11.17%
2. New Orleans	144.2	15.43
3. Houston	89.1	24.53
4. Philadelphia	59.9	27.96
5. Baltimore	59.9	31.39
6. Baton Rouge	59.1	34.78
7. Norfolk	55.3	37.95
8. Chicago	45.9	40.58
9. Tampa	40.9	42.92
10. Duluth-Superior	40.3	45.22

NOTE: Tonnage figures in millions of short tons.

SOURCE: U.S. Department of Transportation, *National Transportation*, p. 286.

TABLE WC-V. Market Concentration of ICC-Regulated Water Carriers, 1974

ULTIMATE PARENT/Operator	Revenues[1]	Cumulative Percent of Total[2]
1. RJ REYNOLDS INDUSTRIES INC Sea-Land Service Inc	$119,074	19.13%
2. TEXAS GAS TRANSMISSION CORP American Commercial Barge Line Co	76,583	31.44
3. OGLEBAY NORTON CO	38,061	37.55
4. DRAVO CORP Union Mechling Corp	35,987	43.33
5. EASTERN GAS & FUEL ASSOCIATES Ohio River Co	33,493	48.72
6. UNITED STATES STEEL CORP Ohio Barge Line Inc	28,318	53.27
7. CHROMALLOY AMERICAN CORP Valley Line Co	27,866	57.74
8. POTT INDUSTRIES INC	23,511	61.52

1. Only includes revenues of operators listed.
2. Total for ICC-regulated Class A and B water carriers.

NOTE: Revenues in thousands.

SOURCE: Interstate Commerce Commission, "Revenue and Traffic of Class A and B Water Carriers: Statement No. 650," (1974 and 1973), mimeographed.

TABLE WC-VII. U.S. Cargo Tonnage: Domestic and International, 1950-1973

Year	Domestic	International
1950	651	169
1955	745	271
1960	761	339
1965	829	444
1970	951	581
1971	947	566
1972	987	630
1973	994	767

NOTE: Figures in millions of short tons.

SOURCE: U.S. Department of Commerce, Bureau of the Census, *Statistical Abstract, 1975,* p. 596.

TABLE WC-VI. Foreign-Flag Shipping Tonnage Owned by U.S. Parent Companies, 1974

Parent Company	Number of Ships	Deadweight Tonnage[1]	Cumulative Percent of Total[2]
1. EXXON CORP	184	14,375,604	27.24%
2. DANIEL K. LUDWIG INTERESTS	50	6,132,300	38.86
3. TEXACO INC	55	4,848,881	48.05
4. MOBIL OIL CORP	39	3,883,210	55.40
5. STANDARD OIL CO OF CALIFORNIA	34	2,628,212	60.38
6. GULF OIL CORP	34	2,062,818	64.29
7. IU INTERNATIONAL CORP	33	1,968,554	68.02
8. Third National Corp	7	1,816,230	71.46
9. Getty Oil Co	17	1,655,355	74.60
10. Bancal Tri-State Corp	6	1,575,197	77.58
11. STANDARD OIL CO (INDIANA)	11	1,397,921	80.23
12. GATX CORP	29	1,377,798	82.84

1. Deadweight tonnage is measured in long tons and is the difference between a vessel's loaded and lightweight displacement.
2. Total deadweight tonnage of U.S.-owned foreign-flag vessels.

SOURCE: U.S. Department of Commerce, Maritime Administration, *Foreign Flag Merchant Ships Owned by U.S. Parent Companies,* pp. 1-7.

TABLE WC-VIII. Inland Water Carrier Percent of Total Intercity Freight Ton-Miles, 1950-1973

Year	Ton-Miles	Percent of Total
1950	163	14.93%
1955	217	16.68
1960	220	16.56
1965	262	15.89
1970	319	16.46
1971	315	16.13
1972	339	16.35
1973	358	16.02

NOTE: Ton-miles in billions.

SOURCE: U.S. Department of Commerce, Bureau of the Census, *Statistical Abstract, 1975,* p. 562.

TABLE WC-IX. Freight Ton-Miles Carried on Inland Waterways, 1950-1973

Year	Total	Atlantic	Gulf	Pacific[1]	Missi-ssippi[2]	Great Lakes
1950	163.3	6.5	1.2	1.7	33.6	120.3
1955	216.5	27.0	13.9	4.7	52.0	118.9
1960	220.3	28.6	16.9	6.0	69.3	99.5
1965	262.4	27.8	21.8	6.6	96.6	109.6
1970	318.6	28.6	28.6	8.4	138.5	114.5
1971	315.0	28.6	30.5	8.5	142.4	105.0
1972	338.7	29.2	32.5	9.5	158.5	108.9
1973	358.2	34.2	32.3	10.5	155.3	125.9

1. Includes Alaska after 1960.
2. Includes river channels and tributaries of Mississippi, Illinois, Missouri, and Ohio Rivers.

NOTE: Ton-miles in billions.

SOURCE: U.S. Department of Commerce, Bureau of the Census, *Statistical Abstract, 1975,* p. 598.

TABLE WC-X. U.S. Waterborne Imports and Exports: U.S.-Flag Percent of Cargo Tonnage, 1950-1973

Year	Total Trade	Imports	Exports
1950	39.3%	43.7%	32.5%
1955	23.5	26.5	19.6
1960	12.3	9.9	16.3
1965	8.1	6.1	11.1
1970	5.6	5.1	6.3
1971	5.6	5.2	6.3
1972	5.0	4.5	5.8
1973	6.4	6.9	6.0

SOURCE: U.S. Department of Commerce, Bureau of the Census, *Statistical Abstract, 1975,* p. 597.

TABLE WC-XI. Inland and Great Lakes Cargo Tonnage: Percent Distribution Among Principal Commodities, 1973

Commodity	Inland	Great Lakes
Petroleum	52.4%	4.4%
Coal and coke	13.5	17.2
Iron ore	0.0	42.4
Stone, sand, and gravel	9.5	18.9
Grains	1.5	6.5
Chemicals	5.4	0.6
All others	17.7	10.0
Total	100.0%	100.0%

SOURCE: U.S. Department of Transportation, *National Transportation,* p. 269.

TABLE WC-XII. U.S. Waterborne International Cargo Tonnage: Percent Distribution Among Principal Commodities, 1964 and 1974

Commodity	1964	1974
Petroleum and products	33.1%	43.0%
Coal and coke	12.2	10.6
Iron ore, iron, and steel	16.8	10.4
Grains	10.1	9.1
Chemicals	4.1	5.3
Sand, gravel, and stone	1.1	2.0
All others	10.5	16.2
Total	100.0%	100.0%

SOURCE: U.S. Department of Transportation, *National Transportation,* p. 375.

TABLE WC-XIII. Growth of Containerization in U.S. Waterborne Foreign Trade, 1971-1974

	NUMBER OF CONTAINERS SHIPPED[1]		TONNAGE CARRIED IN CONTAINERS[2]	
Year	Total	U.S.-Flag Percent	Total	U.S.-Flag Percent
1971	849	53.7%	8,462	41.1%
1972	1,090	47.7	12,027	36.6
1973	1,398	44.3	17,229	37.6
1974p	1,651	46.9	21,123	41.7

1. Number of containers in thousands.
2. Container tonnage in thousands of long tons.

SOURCE: U.S. Department of Transportation, *National Transportation,* p. 387.

TABLE WC-XIV. Select Financial Statistics of ICC-Regulated Class A and B Water Carriers, 1969-1974

Year	Net Income	Return on Investment	Return on Equity
1969	$21,880	8.13%	8.92%
1970	27,801	10.02	10.45
1971	27,377	9.83	9.59
1972	23,698	10.37	7.96
1973	42,151	8.62	11.23
1974p	56,678	6.73	17.52

NOTE: Net income figures in thousands.

SOURCE: Interstate Commerce Commission, *Annual Report of the Interstate Commerce Commission, 1972,* p. 139; idem, *Annual Report, 1973,* p. 137; idem, *Annual Report, 1975,* p. 127.

TABLE WC-XV. Government Involvement in Water Carrier Transportation, 1887-1976

Date	Event	Comment
1887	Interstate Commerce Act	ICC given authority to regulate rail-ship transport movements in interstate commerce.
1912	Panama Canal Act	Prohibits railroad ownership of water carriers using Panama Canal for intercoastal transport.
1916	Shipping Act of 1916	United States Shipping Board created as an independent body to review operations of common carriers in domestic offshore, foreign, and Great Lakes service.
1920	Merchant Marine Act of 1920	Sometimes referred to as the Jones Act, restricts coastal and domestic offshore shipping to U.S.-flag carriers.
1933	Intercoastal Shipping Act	Contract carriers participating in the domestic offshore trade are brought under Shipping Board's authority.
1933	Executive Order	United States Shipping Board becomes a bureau within the Department of Commerce.
1936	Merchant Marine Act of 1936	United States Maritime Commission created to replace Shipping Board. Federal subsidy program for U.S.-flag merchant marine is launched, including operational and construction payments.
1940	Transportation Act of 1940	Regulation of water carriers extended to those operating on inland waterways. ICC regulates inland, Great Lakes, and coastal carriers. Maritime Commission regulates domestic offshore and international shipping.
1950	Executive Order	Federal Maritime Board assumes functions of United States Maritime Commission and is placed in the Department of Commerce.
1961	Executive Order	Federal Maritime Board becomes the Federal Maritime Commission which is organized as an independent regulatory agency.
1970	Merchant Marine Act of 1970	Federal operating subsidies extended to bulk carriers transporting ore or grain. Construction subsidy program also expanded. Federal share of maximum shipbuilding costs is projected to decrease progressively from 50% to 35% on negotiated contracts.
1970	Water Quality Improvement Act of 1970	U.S. Coast Guard given authority to enforce standards designed to protect water environment from oil spills and other hazardous materials.
1976	Congressional Bill	Maximum federal subsidy support on negotiated shipbuilding contracts is restored to 50%.

Part Two

Introduction

Part One presents a list of the largest operators in eight different transportation sectors of the United States. These ***CDE Sample Operators*** are ranked by revenues and listed with their parents in the eight CDE Operator Charts appearing at the beginning of each sector chapter.

All companies profiled in this Part of the Directory appear in alphabetical sequence. All corporate names printed in UPPER CASE letters refer to one of these profiled companies. Each profile consists of two sections: a ranking of the company's principal voting stockholders, and basic factual and financial information on the company. A key to abbreviations and symbols can be found at the beginning of the Directory.

The CDE's main objective is to identify the principal individual and institutional voting stockholders of the largest U.S. transportation companies or their parents. Sample transportation operators which are subsidiaries of another company are considered as components of one corporate complex and only the ultimate parent is profiled. For the purposes of this study a parent is defined as a corporation which owns 40% or more of an operator's voting stock. Consequently, a number of large corporations which are not principally transportation firms are nevertheless profiled in this Directory because they are parents of transportation operators.

The profiled companies can be divided into three types:[1]

1. Ultimate parents (73): a corporation controlling either directly or through intermediaries 40% or more of the voting stock of a sample transportation operator. For example, IU INTERNATIONAL CORP is profiled because it controls Pacific Intermountain Express Co, a sample motor carrier, through its 100%-owned intermediary IU Transportation Services Inc. In the case of joint ventures, both ultimate parents of the operator have been profiled.

2. Self-Parented Transportation Companies (95): sample transportation operators with less than 40% of their stock owned by another corporation.

3. Certain Transportation Subsidiaries (8): eight sample operators which are between 40% and 90% owned by another corporate entity have been profiled because their remaining stock is publicly traded and the CDE has identified other individual and institutional stockholders. In these cases both the parents and operators are profiled.

STOCKHOLDER INFORMATION

The profiles present for each company the principal holders of stock which can be identified from publicly available sources. As the CDE is concerned first and foremost with ***voting power***, the study covers any class of stock with voting rights, including preferred. Companies sometimes issue more than one class of stock with different votes per share. In order to compare holdings of different classes, all figures are expressed in ***votes*** and not in ***shares***.[2] For instance, in a company with two classes of voting stock, a common with 1 vote/share and a preferred with 2 votes/share, a bank with 1,000 common and 500 preferred will appear in the CDE profile with 2,000 votes.

Unless otherwise indicated, all stockholdings are quoted as of January 1, 1975 (see How to Read a Profile for an explanation of offdating). Particularly significant changes in the largest holdings since that date are noted under the heading "Comments" in each company profile.

There were five basic steps in compiling the stockholder information for each company:

Step 1

The CDE collected its stockholder data from a variety of public sources, including:

1) Reports submitted by profiled companies, and institutional or individual stockholders to federal agencies, including the Securities and Exchange Commission, Civil Aeronautics Board, Federal Communications Commission, Federal Power Commission, Interstate Commerce Commission, Internal Revenue Service and Comptroller of the Currency.

2) Reports submitted by institutional investors to

Step 1	**Step 2**	**Step 3**	**Step 4**	**Step 5**
Collection of stockholder data from various public sources	Elimination of nominees by attributing their aggregated holdings to the institutions they represent	Aggregation of holdings by family relations or intercorporate control	Categorization of holdings by management powers: 1) total voting 2) total managed 3) unidentified	Ranking of holders by one of the following in descending order: 1) voting power 2) total managed holdings 3) management powers not identified

state agencies, such as the state insurance departments

3) Reports voluntarily disclosed to the public by some institutional investors, such as state-chartered banks.

4) Special stock ownership studies by regulatory agencies and congressional committees, such as those of the Senate Subcommittee on Reports, Accounting and Management.

The CDE selected holders with at least 2/10ths of 1 percent (0.2 percent) of a profiled company's voting stock. In the case of very large companies with widely dispersed stock, this cut-off point was sometimes lowered to 0.15 percent.[3] The most important types of holders include:

- —brokers, such as Merrill Lynch, Pierce, Fenner & Smith
- —commercial banks, such as Chase Manhattan Bank, NA
- —educational endowments, such as Harvard University
- —individuals and families, including directors, officers, and estates, such as the Rockefeller Family Interests
- —industrial corporations, such as Superior Oil Co
- —insurance companies, such as Metropolitan Life Insurance Co
- —investment companies (e.g., mutual funds), such as Dreyfus Fund
- — non-profit institutions, particularly foundations, such as Ford Foundation
- —pension funds and other employee benefit plans, such as New York State Teachers' Retirement System

Step 2

The stockholder information collected in Step 1 could not be listed in its raw form. Nominees present a particular problem in identifying stockholdings. They are mere legal conveniences which act as record holders for commercial banks and other financial institutions. A financial institution may also use several nominees to hold stock in one company. In Step 2 CDE purged each institution's nominees from its list and aggregated their holdings, which were then attributed to the institution.[4] For instance, Chemical Bank holds stock in NORFOLK & WESTERN RY CO through eight nominees, such as Finman & Co, C.A. England & Co, and others. The total holdings of these nominees are listed by the CDE under Chemical Bank.

Step 3

A number of stockholders that are not mere legal conveniences but real institutions such as insurance companies and mutual funds, are in fact controlled by other entities. Holders linked to the same entity are therefore grouped as part of one complex and individually listed under their "ultimate parent" (see How to Read a Profile). The CDE applied two standards to form such complexes:

1. Family Relations: The components of a single family, including relatives, estates, and family-controlled foundations and partnerships, are combined into one family holding. Companies known to be 40% or more owned by members of one family are grouped with these family interests.

2. Intercorporate Control: Control of one corporation by another is defined in two ways:

a. Ownership of 40% or more of the company's voting stock.[5]

b. Management[6] of one firm by another, such as the management of mutual funds by an investment advisor, and pension funds by commercial banks. All identified funds managed by the same advisor are grouped together.

In certain cases a complex of holders involves both management and ownership control. The listing of each sub-entity indicates its control relationship to the ultimate parent.

Step 4

Commercial bank trust department and brokerage firms specialize in holding stock for other parties such as pension funds, mutual funds, individuals, and estates. Both these financial institutions may exercise certain management powers over the stock they hold including voting authority (power to vote shares), investment discretion (authority to buy/sell stock), investment advice (authority to recommend the purchase/sale of stock), and/or other trustee authority. In the case of ***nationally-chartered*** commercial banks, the CDE has determined those stockholdings over which the bank exercises any management power, and that portion of these "managed holdings" over which it exercises voting power.[7]

Brokerage firms and most ***state-chartered*** banks, on the other hand, do not report their management powers and the CDE has listed their stockholdings under the category of "additional holdings." Such listings are not synonymous with ***unmanaged*** holdings. The brokerage firm or state-chartered bank may, in fact, exercise some management authority but this could not be determined on the basis of public information.[8] In addition, a number of nationally-chartered banks also have stock listed under this category. Such stock is held for accounts where the bank does not exercise any management powers and where the CDE was unable to identify who does possess such authority.[9]

The CDE has not totaled the stock listed in the "additional holdings" column because of inevitable duplication with stock listed under "managed holdings." For example, an individual appearing in a CDE profile may hold stock through a brokerage firm. In this case, the brokerage firm's "additional holdings" will invariably include the stock already attributed to the individual. In the case of commercial banks, such duplications have been minimized, whenever possible, through a discounting process. For example, suppose that Bank A holds 100,000 shares of Widget Co over which it does not have any management power. Mutual Fund B reports that it has a 50,000 share investment in Widget Co. Furthermore, the fund also reveals that it holds stock through Bank A. In this case, CDE discounts the mutual fund's stock from the bank's total holdings, leaving Bank A with a 50,000 entry in "additional holdings."

Step 5

All holdings are ranked according to one of the three categories referred to in Step 4. Each profile first ranks

How to Read a Stockholder Profile

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
① ② 2. Brown Family Interests# Brown, George R (350000) Brown Foundation (370456) Frensley, Herbert J (9000)	729,456	2.99	729,456	–
4. First National Bank Of Shreveport ③ Texas Eastern Transmission Emps Stock Purchase Pl/2735 Pcts (615972E)	615,972E	2.52	615,972E ④	–
5. Chemical Bank	512,331	2.10	715,000	64,133
6. Alleghany Corp< (PT) ⑤ Investors Diversified Services Inc* Investors Stock Fund (450000)	450,000	1.84	450,000	–
8. Ohio State Teachers Retirement Fund ⑥	360,000	1.48	360,000	–
11. Lynch, John F# ⑦	214,226	.87	214,226	–
23. Continental Investment Corp< John P Chase Inc* ⑧ Chase Special Fund (17200) Shareholders Trust Fund of Boston (40000) I T F Fund NV (15000)	72,200	.29	72,200	–

① **RANK:** Holdings ranked by one of the following in descending order–voting power, total managed holdings, and management power not identified. Note: figures in all columns are expressed in votes.

② **FAMILY COMPLEX:** Combination of identifiable holdings of all known family members and family-controlled trusts, foundations, and corporations. A family ***interest*** includes any corporation or foundation while a family ***group*** includes a financial or industrial corporation large enough to be ranked by ***Fortune.***

③ **EMPLOYEE BENEFIT PLAN:** Includes thrift, savings, stock purchase and similar private plans that facilitate acquisition of stock by company employees. Excludes stock option plans limited solely to "key employees" such as officers/directors. Each plan entry is arranged to indicate how these shares are voted. In the hypothetical example below, the Widget Co Thrift Plan holds 1,000 shares of Widget Co stock for 25 plan participants.

Voting	CDE Entry
Company votes	Widget Co Thrift Plan (Internal Administration or Trustee)
Bank trustee votes	ABC Bank NA Widget Co Thrift Plan (1000)
Participants vote	Widget Co Thrift Plan (25 Participants)
Participants may direct voting; undirected shares voted by company	Widget Co Thrift Plan (25 Participants/Internal Trustee)
Participants may direct voting; undirected shares voted by bank trustee	ABC Bank NA Widget Co Thrift Plan/25 Participants (1000)
Company may direct voting; undirected shares voted by bank trustee	ABC Bank NA Widget Co Thrift Plan/Internal Trustee (1000)

④ **OFFDATING:** All holdings are for 1/1/75 unless followed by a letter which indicates the following dates:

Period	1972	1973	1974	1975
1st Quarter	W	X	A	E
2nd Quarter			B	F
3rd Quarter		Y	C	G
4th Quarter			D	H

⑤ **CDE PROFILED COMPANY:** Denotes holder which is itself profiled in Part Two.

⑥ **PUBLIC EMPLOYEE PENSION FUNDS:** Identifies the administrator of state, county, and municipal public retirement systems.

⑦ **TYPE OF STOCKHOLDER:** A symbol used by the CDE to characterize certain stockholders. Indicates the principal activity of financial institutions whose corporate names do not contain key words such as "bank" and "insurance." The following four symbols are used:

< Diversified holding company
+ Investment bank or brokerage firm
* Investment company manager or advisor
# Director/Officer of profiled company

⑧ **SUB-ENTRIES:** Significant and identifiable sub-entities whose holdings are included in the total for the complex head. A ***single indentation*** indicates that the complex head ***owns*** at least 40% of the sub-entry's voting stock. Family members are also given a single indentation when listed under a family complex. A ***double indentation*** indicates that the complex head controls the sub-entry through a ***management*** relationship such as an investment advisory agreement or a trust agreement between a commercial bank and employee benefit plan.

Guide to General Company Information

Financial information was obtained from documents filed by the corporation with the SEC. These figures may vary from the data presented in the CDE Operator Charts, which was obtained from the transportation regulatory agencies, due to the different accounting principles used by these agencies. Unless otherwise indicated, the data is for year's end 1974. All dollar amounts are in thousands, except in the **Comments.** A dash "–" indicates that the item did not apply to that company. All other symbols and abbreviations can be found at the front of the Directory.

Fortune Rank: ranking assigned by ***Fortune*** on the basis of sales or asset figures for 1974. Unless otherwise indicated, the CDE used ***Fortune's*** list of the top 1,000 industrial firms. Non-industrial companies are ranked according to the ***Fortune*** listings for Transportation, Utilities or Diversified/Financial firms. In the few instances where sizeable companies were not ranked by ***Fortune***, the CDE assigned these companies a hypothetical ***Fortune*** ranking to permit intercompany comparisons. For instance, UNITED PARCEL SERVICE OF AMERICA INC does not appear in ***Fortune's*** 1974 list but was ranked by the CDE as 13 ***T NRF*** (***T***ransportation, ***N***ot ***R***anked by ***F***ortune).

Total Debt: short-term debt, that portion of long-term debt due within one year, and all long-term debt due after one year.

Debt/Asset Ratio: total debt divided by total assets–one indicator of the relative dependence of the company on debt funding.

Lease Commitments: the total amount due on outstanding leases. While leases are not currently included in a company's balance sheet, they represent important debt obligations.

Income: the income figure which was used by the company in its business line breakdown statement. The type of income–pretax, net, operating, etc.–is noted in each case.

Foreign Operating Revenue and **Income:** figures reported by the company to the SEC if they contribute 10% or more of its total sales or income.

Income Tax Rate: the income taxes paid to U.S. federal and state authorities divided by the company's pretax income. This figure affords a comparison with the 48% statutory corporate income tax rate. Percentages in parenthesis indicate a tax credit. Income taxes paid to foreign governments are not included.

Regulation: federal regulatory agencies with which the company files an annual report.

Principal Underwriter(s): the lead underwriter(s) for the most recent offering of the company's securities (stock or debt). Stock issues are given preference over debt issues regardless of the date of the offering. Issues prior to 1965 are excluded and the year of the offering is indicated if it was made before 1974.

Legal Counsel(s): a select list of the company's outside legal counsels and the fees paid in 1974. For companies filing reports with the CAB and FPC, this list includes the largest counsels, ranked by size of their fees. For companies filing reports only with the SEC or the ICC, this list may omit certain major counsels for lack of full disclosure regulations by these agencies. The ***general counsel*** was identified where possible. Occasionally a counsel is identified only for years other than 1974.

Transportation Subsidiaries: all CDE Sample Transportation Operators which are company subsidiaries. Their transport mode is indicated and it is noted whether their balance sheet and income statements have been consolidated in the parent's figures.

Business Lines: a breakdown of the company's operating revenues and income by primary areas of activity (percentages in parenthesis indicate a negative figure). These categories are not fully comparable between companies as detailed and uniform reporting is not required by the SEC. See **Operating Revenue** and **Income** items for the base figures used in the breakdown.

Stock Structure: all classes of ***voting*** stock, and for each class, the number of shares outstanding, the votes per share, the total number of votes, and the number of record holders. The combined total of votes is provided where two or more classes are listed.

Comments: these items, listed under several subheadings, summarize other important facts about the structure and operations of the company as well as significant recent events.

Corporate Structure: name changes, mergers, large acquisitions, bankruptcies, defaults, nationalizations of important foreign subsidiaries, descriptive operating data, and market shares when available.

Corporate Control: significant stockholdings in the company which do not conform to the stockholder profile format.

Changes in Corporate Control: significant changes since the beginning of 1975 in holdings listed in the stockholder profile.

Capital Structure: changes in the capital stock outstanding–such as a stock split–since the date listed under **Stock Structure**.

Major Transactions: large contracts with government agencies and relationships with suppliers and buyers.

Labor: recent important strikes and major legal cases involving employment discrimination.

Legal Proceedings: important legal cases and regulatory proceedings affecting the company, except those involving employment discrimination and environmental pollution, which appear under the separate headings **Labor** and **Environment.**

Environment: major legal proceedings involving environmental pollution by the company.

Payments Disclosure: questionable domestic and foreign payments, including political contributions, which have been disclosed by the company to the SEC.

all stockholders with any voting power. Holders with no identifiable voting power are then ranked according to their total managed holdings. Finally each profile concludes with a ranking of all holders for which no management powers are identified.

GENERAL COMPANY INFORMATION

Financial and other statistical data for each company is presented for year's end 1974 to provide the reader with some indication of the firm's size, financial structure, degree of diversification, and to offer reference points for intercompany comparisons. The items "Legal Counsels" and "Principal Underwriters" document two important outside institutional relations maintained by most companies. The "Comments" update the profile by by summarizing important recent events affecting the corporation.

(See p. 336 for Notes)

AIR EXPRESS INTERNATIONAL CORP

151 Harvard Ave., Stamford, CT 06902

Incorporated: Illinois
Fortune Rank: –
Assets: $18,033
Total Debt: $4,750
Debt/Asset Ratio: 26.3%
Lease Commitments: $4,449
Number of Employees: 1,453
Operating Revenue: $87,304
Income: $1,642 (a)
Net Income: $1,045
Foreign Operating Revenue: 48.5%
Foreign Income: (28.1%)
Income Tax Rate: None
Regulation: SEC, ICC, CAB

Principal Underwriter(s)

S(1967)–White, Weld & Co

Legal Counsel(s)

Stroock & Stroock & Lavan (General Counsel), NY: fees for 1974–NA

Transportation Subsidiaries

None

Comments

Corporate Structure: In September 1975 Company announced that negotiations were being held towards the acquisition of Jet Air Freight, the 11th largest U.S. freight forwarder. The latter subsequently filed for reorganization under Chapter XI of the Federal Bankruptcy Act in January 1976.

Legal Proceedings: Novo Corp, the parent company of several smaller freight forwarders, has charged Company in a lawsuit with violations of antifraud provisions of the federal securities laws in connection with Novo's attempted acquisition of Company in 1969 and 1970.

Business Lines	Percent of Operating Revenue	Percent of Income
Freight Forwarding	90%+	90%+

NOTE: All financial data listed above as of 6-30-75.

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (6-30-75)
Common	2,958,165	1	2,958,165	2,700
Class B	57,611	1	57,611	110
1st Pfd.	4,946	1	4,946	8
Total Votes Outstanding			3,020,722	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Mailman Family Interests#	1,704,537	56.43	1,704,537	-
2. Mayer, Chester M#	43,870D	1.45	43,870D	-
3. Schwartzstein Family Interests#	6,000D	.19	6,000D	-
4. Security Pacific National Bank	-	-	14,880	-
5. Lehman Brothers Inc+	-	-	-	26,501
TOTALS	1,754,407	58.08%	1,769,287	

TOP 5 SHAREHOLDERS VOTE 58.08% OF THE STOCK.

AIRBORNE FREIGHT CORP

190 Queen Anne Ave. N., Seattle, WA 98111

Incorporated: Delaware
Fortune Rank: —
Assets: $28,233
Total Debt: $350
Debt/Asset Ratio: 1.2%
Lease Commitments: $12,938
Number of Employees: 1,917
Operating Revenue: $108,934
Income: $6,345 (b)
Net Income: $3,251
Foreign Operating Revenue: 22%
Foreign Income: NA
Income Tax Rate: 48.8%
Regulation: SEC, ICC, CAB

Principal Underwriter(s)

S (1968)—Allen & Co; Faulkner, Dawkins & Sullivan

Legal Counsel(s)

Riddell, Williams, Ivie, Bullitt & Walkinshaw (General Counsel), WA: fees for 1974–$75

Transportation Subsidiaries

None

Comments

Corporate Structure: In 1974 Company terminated the February 1973 agreement by which IU INTERNATIONAL CORP was to acquire Company. IU subsequently filed for CAB approval to acquire Company by tender offer. In 1975 all take-over attempts were terminated when the CAB denied IU's request.

Business Lines	Percent of Operating Revenue	Percent of Income
Freight forwarding	90%+	90%+

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	2,824,761	1	2,824,761	2,582

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Mcpherson, John D	479,079	16.96	479,079	-
2. Webster, Holt W#	110,185	3.90	110,185	-
3. St Paul Companies Inc< St Paul Fire & Marine Insur Co (80000)	80,000	2.83	80,000	-
4. Wachovia Bank & Trust Co NA	71,579	2.53	71,579	-
5. Brazier, Robert G#	44,500	1.58	44,500	-
6. Harder, F William#	44,080	1.56	44,080	-
7. Cline, Robert S#	40,704	1.44	40,704	-
8. Dawkins, Richard B#	26,345	.93	26,345	-
9. First National Bank Of Denver	15,000	.53	15,000	-
10. Tancer, Forrest#	13,889	.49	13,889	-
11. Williams, J Vernon#	12,285	.43	12,285	-
12. Liljebeck, Roy C#	7,350	.26	7,350	-
13. Sherman, D K#	7,283	.25	7,283	-
14. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (82583)	-	-	-	82,583
15. Paine Webber Jackson & Curtis Inc+	-	-	-	43,624
16. Bache Halsey Stuart Inc+	-	-	-	28,949
TOTALS	952,279	33.71%	952,279	

TOP 5 SHAREHOLDERS VOTE 27.80% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 32.76% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 33.71% OF THE STOCK.

ALEXANDER & BALDWIN INC

822 Bishop St., Honolulu, HI 96801

Incorporated: Hawaii
Fortune Rank: 442 NRF
Assets: $361,225
Total Debt: $31,119
Debt/Asset Ratio: 8.6%
Lease Commitments: $153,774
Number of Employees: 3,335 (2-75)
Operating Revenue: $347,664
Income: $135,480 (b)
Net Income: $70,901
Foreign Operating Revenue: Insignificant
Foreign Income: Insignificant
Income Tax Rate: 47.7%
Regulation: SEC, FMC (Matson Navigation Co)

Principal Underwriter(s)

NA

Legal Counsel(s)

NA

Transportation Subsidiaries

Matson Navigation Co (WC-CN)

Comments

Corporate Structure: Company's shipping subsidiaries accounted in 1974 for 90% of the cargo shipped between the U.S. West Coast and Hawaii and 50% of the cargo between the West Coast and Guam. Its major containership competitor in both trades is United States Lines (ST), a subsidiary of WALTER KIDDE & CO. In April 1974 Company acquired the operations of SEATRAIN LINES INC between the U.S. West Coast and Hawaii and Guam. In 1974 Company also acquired Rogers Brothers Co, a major U.S. potato and vegetable processor. In 1975 Company acquired an 80% interest in a new venture, Alexander & Baldwin Agribusiness Corp, which specializes in developing and managing large-scale agricultural projects throughout the world and identifying potential agricultural investments for Company.

Labor: In 1971 and early 1972 Company's shipping subsidiaries were struck by the International Longshoremen's and Warehousemen's Union (ILWU) for 135 days. In late 1972 they were struck for 45 days by one of Company's offshore unions. In 1975 Company's sugar operations were interrupted by a 45-day industry-wide strike by sugar growing and manufacturing workers who are members of the ILWU.

Business Lines	Percent of Operating Revenue	Percent of Income
Agriculture	50.1%	92.9%
Maritime Transportation	44.0	8.7
Land Management & Real Estate	0.5	(0.7)
Merchandising of Constr., Farm, Ind. & Other Machinery & Equipment	3.8	1.0
Dividends & Gain on Sales of Securities	0.4	1.0
Interest & Other Investment Income	1.2	0.2
Unallocated Corporate Expense	–	(3.2)

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (2-13-75)
Common	9,215,963	1	9,215,963	9,188

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Waterhouse Family Interests#	1,031,380E	11.19	1,031,380E	-
2. Ishiyama, George S Interests#	228,810E	2.48	228,810E	-
3. Keystone Custodian Fds Inc*	171,000	1.86	171,000	-
Keystone O.T.C. Fund (13000)				
Keystone Custodian Fds Ser K-2 (40000)				
Keystone Custodian Fds Ser S-3 (50000)				
Keystone Custodian Fds Ser S-4 (68000)				
4. Stockholm, Charles M Interests#	161,571E	1.75	161,571E	-
5. Continental Corp<	112,500	1.22	112,500	-
Buckeye Union Insur Co (41800)				
Fidelity & Casualty Co Of NY (34500)				
Firemen'S Insur Co Of Newark (33200)				
Seaboard Fire & Marine Insur Co (3000)				
6. Capital Research & Mngt Co*	105,000	1.14	105,000	-
Amcap Fund (35000)				
American Mutual Fd (70000)				
7. Scudder Stevens & Clark Co*	96,000	1.04	96,000	-
Scudder Special Fd (96000)				
8. Boston Safe Deposit & Tr Co	91,551	.99	93,540	-
9. King, Garfield#	76,924E	.83	76,924E	-
10. American General Insur Co<	65,000	.70	65,000	-
Hawaiian Life Insur Co (30000)				
American Gen Capital Mngt Inc*				
Comstock Fund (35000)				
11. Baldwin, Richard H Family#	48,012E	.52	48,012E	-
12. Elfun Trusts	25,000	.27	25,000	-

ALEXANDER & BALDWIN INC

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
13. INA Corp< Horace Mann Investors Inc* Horace Mann Fd (20000)	20,000	.21	20,000	-
14. Wells Fargo Bk NA	19,814	.21	21,310	-
15. Bank Of California NA	19,449	.21	28,359	-
TOTALS	2,272,011	24.65%	2,284,406	

TOP 5 SHAREHOLDERS VOTE 18.50% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 23.22% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 24.65% OF THE STOCK.

ALGONQUIN GAS TRANSMISSION CO

1284 Soldiers Field Rd., Boston, MA 02135

Incorporated: Delaware
Fortune Rank: –
Assets: $224,321
Total Debt: $125,620
Debt/Asset Ratio: 56%
Lease Commitments: $2,619
Number of Employees: 317
Operating Revenue: $178,112
Income: $14,560 (a)
Net Income: $9,105
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 53.5%
Regulation: FPC

Principal Underwriter(s)

DT–First Boston Corp

Legal Counsel(s)

McGee & Ketcham, DC: fees for 1974–$125
Rich, May & Bilodeau (Gen. Couns.), MA: fees for 1974–$50

Transportation Subsidiaries

None

Control

EASTERN GAS & FUEL ASSOCIATES (36.76%); New England Gas and Electric Assn. (34.52%); TEXAS EASTERN TRANSMISSION CORP (28.00%); Providence Gas Co (.71%).

Comments

Joint Ventures: In 1972 Company and PUBLIC SERVICE ELECTRIC & GAS CO formed a joint venture, Eascogas LNG, Inc, which in November 1975 signed a 22-year contract with the Algerian state-owned oil and gas company to purchase liquified natural gas. A separate contract was signed with Burmah Oil Tankers Ltd to transport the gas.

Major Transactions: Company's sole supplier of gas is TEXAS EASTERN TRANSMISSION CORP. See also EASTERN GAS & FUEL ASSOCIATES.

Business Lines	Percent of Operating Revenue	Percent of Income
Natural Gas	90%+	90%+

Stock Structure (Private)

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	1,506,600	1	1,506,600	4

ALLEGHANY CORP

350 Park Ave., New York, NY 10022

Incorporated: Maryland
Fortune Rank: –
Assets: $254,021
Total Debt: $34,833
Debt/Asset Ratio: 13.7%
Lease Commitments: $7,233
Number of Employees: 3,050
Operating Revenue: $84,605
Income: $47,219 (b)
Net Income: $43,541
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 7.8%
Regulation: SEC

Principal Underwriter(s)

NA

Legal Counsel(s)

Donovan, Leisure, Newton & Irvine (General Counsel), NY: fees for 1974–$471

Transportation Subsidiaries

Jones Motor Co Inc (MF-CN)

Comments

Corporate Structure: Since its incorporation in 1929 Company has served primarily as a holding company for railroad securities, including major holdings in New York Central RR and, following the latter's 1968 merger with Pennsylvania RR Co, in PENN CENTRAL CO until 1971. In 1974 and 1975 Company sold its holdings in Missouri Pacific RR Co (ST), its last railroad stocks. Company has also sold its holdings in USM Corp, Monsanto Co, TI Corp, United Corp and Kerr-McGee Corp. Company owns 44.9% of the voting securities of Investors Diversified Services Inc, the investment company manager of the largest U.S. mutual fund complex. IDS funds own stock in several major transportation operators and parents. Company also owns 412,000 shares of common stock in Pittston Co. In December 1974 Company acquired MSL Industries Inc, a diversified manufacturer and distributor of industrial products with 1974 sales of $154 million.

Business Lines	Percent of Operating Revenue	Percent of Income
Trucking	100%	12.1%
Gain on Sale of Securities of MISSOURI PACIFIC RR CO & the USM Corp	–	59.7
Dividends & Interest Income	–	44.9
Equity in Earnings of Investors Diversified Services Inc	–	13.9
Writedown of Marketable Securities	–	(13.9)
Reduction in Carrying Value of Denver Property	–	(10.6)
General Corporate Expenses & Other	–	(6.1)

Stock Structure

Class	Shares Outstanding (3-17-75)	Votes per Share	Total Votes per Class	Stockholders of Record (3-17-75)
Common	7,829,610	1	7,829,610	8,209

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Kirby Family Interests#	3,975,154	50.77	3,975,154	-
2. Ford Foundation	100,000	1.28	100,000	-
3. International Telephone & Telegraph Corp<	49,900	.63	49,900	-
Hartford Accident & Indemnity (23900)				
Hartford Fire Insur Co (26000)				
4. Baldwin Securities Corp	30,000	.38	30,000	-
5. Manufacturers Natl Bk Of Detroit	-	-	100,000	-
6. Heritage Bank NA-Iron (New Jersey)	-	-	-	312,775
7. Merrill Lynch & Co Inc<	-	-	-	243,638
Merrill Lynch Pierce Fenner & Sm+ (243638)				
8. Bankers Trust Co	-	-	-	159,400
9. United States Trust Co	-	-	-	107,800
TOTALS	4,155,054	53.07%	4,255,054	

TOP 5 SHAREHOLDERS VOTE 53.07% OF THE STOCK.

ALLEGHENY AIRLINES INC

Washington National Airport, Washington, DC 20001

Incorporated: Delaware
Fortune Rank: 29 T
Assets: $290,448
Total Debt: $164,225
Debt/Asset Ratio: 56.5%
Lease Commitments: $175,473
Number of Employees: 7,995
Operating Revenue: $368,547
Income: $18,658 (a)
Net Income: $6,024
Foreign Operating Revenue: Insignificant
Foreign Income: Insignificant
Income Tax Rate: 24.9%
Regulation: SEC, CAB

Principal Underwriter(s)

S—Kuhn, Loeb & Co

Legal Counsel(s)

Hale, Russell & Stentzel (Gen. Couns.), NY: fees for 1974—$273; Morgan, Lewis & Bockius, DC: fees for 1974—$120; Milbank, Tweed, Hadley & McCloy, NY: fees for 1974—$37

Transportation Subsidiaries

None

Comments

Corporate Structure: Company is the single airline certificated to service Atlantic City, the only location on the U.S. east coast where casino gambling operations have been legalized.

Business Lines		Percent of Operating Revenue	Percent of Income
Airline:	passenger	91.1%	NA
	freight & express	4.6	NA
	mail	1.7	NA
	charter	0.1	NA
	other transport related	1.7	NA
	other	0.8	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (4-8-75)
Common	5,874,224	1	5,874,224	29,938

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Richardson, Sid W Family Interests# Richardson Sid W Foundation (316507) Bass, Perry R (80145) Panther City Investment Co (59303) Bass Brothers Enterprises (35052)	491,007	8.36	491,007	-
2. Keystone Custodian Funds Inc* Keystone Custodian Fds Ser S-4 (300000)	300,000	5.11	300,000	-
3. Kemper Family Group Supervised Investors Services Inc* Supervised Investors Growth Fd (103374) Supervised Investors Summit Fd (50000) Technology Fund (134400)	287,774	4.90	287,774	-
4. Agway Inc	52,227B	.88	52,227B	-
5. Eaton & Howard Inc* Eaton & Howard Special Fund (50000)	50,000	.85	50,000	-
6. George, Robert F#	47,280	.80	47,280	-
7. Barnes, Leslie O#	39,500	.67	39,500	-
8. Wood Struthers & Winthrop Inc+ Wood Struthers & Winthrop Management Corp* Neuwirth Century Fund (7700) Neuwirth Fund (24600)	32,300	.54	32,300	-
9. First National Bank Of Chicago	29,000	.49	29,000	-
10. Avco Corp< Paul Revere Life Insurance Co (22100)	22,100	.37	22,100	-
11. Satterwhite, H A#	20,385	.34	20,385	-
12. Societe Gen D'Epargne Et D'Invest (France)	20,000	.34	20,000	-
13. American Financial Corp< American Empire Insurance Co (13000)	13,000	.22	13,000	-
14. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (220368)	-	-	-	220,368
15. Chase Manhattan Bank NA	-	-	-	131,200B
16. Pershing & Co Inc+	-	-	-	110,632
17. Bache Halsey Stuart Inc+	-	-	-	104,544
18. Dupont Glore Forgan Inc+	-	-	-	94,708B
19. Reynolds Securities Inc+	-	-	-	77,282

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
20. Thomson Mckinnon Auchincloss Kohlmeyer Inc+	-	-	-	66,753B
21. Loeb Rhoades & Co+	-	-	-	62,421
22. Oppenheimer & Co+	-	-	-	56,905B
23. National Shawmut Bank Of Boston	-	-	-	55,500B
24. Morgan Guaranty Trust Co	-	-	-	55,300B
25. Boston Safe Deposit & Trust Co	-	-	-	50,000B
26. Dean Witter & Co+	-	-	-	44,036B
27. Cyrus J Lawrence Inc+	-	-	-	43,148B
28. Paine Webber Jackson & Curtis Inc+	-	-	-	42,119B
29. Butcher & Sherrerd+	-	-	-	39,363B
30. Shearson Hayden Stone Inc<	-	-	-	33,699B
31. First National City Bank	-	-	-	33,000B
32. INA Corp<	-	-	-	32,952B
Blyth Eastman Dillon & Co+ (32952B)				
33. Hutton (E F) & Co Inc+	-	-	-	29,259B
TOTALS	1,404,573	23.91%	1,404,573	

TOP 5 SHAREHOLDERS VOTE 20.10% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 23.00% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 23.91% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 23.91% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 23.91% OF THE STOCK.

ALLIED VAN LINES INC

25th Ave. & Roosevelt Rd., Broadview, IL 60153

Incorporated: Delaware
Fortune Rank: 35 T
Assets: $32,791
Total Debt: $7,726
Debt/Asset Ratio: 23.6%
Lease Commitments: $2,360
Number of Employees: 721
Operating Revenue: $236,440
Income: $1,040 (b)
Net Income: $629
Foreign Operating Revenue: NA
Foreign Income: NA
Income Tax Rate: 39.5%
Regulation: SEC, ICC

Principal Underwriter(s)

None

Legal Counsel(s)

NA

Transportation Subsidiaries

None

Control

Company is composed of many motor carriers of household goods in the U.S. and Canada. Each operator serves as an agent of ALLIED and owns one share of Class A voting stock. The voting power of any group of commonly-owned operators cannot exceed 1.1% of the total outstanding vote. This in effect limits the number of votes per group to 5 regardless of the number of shares owned. Nine different groups of operators hold 4 voting shares apiece.

Comments

Corporate Structure: Company is the largest U.S. household goods moving firm.

Business Lines	Percent of Operating Revenue	Percent of Income
Trucking	96.8%	NA
Cargo Protection	2.3	NA
Other	0.8	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Class A Common	487	1	487	487

AMERFORD INTERNATIONAL CORP

218-01 Merrick Blvd., Jamaica, NY 11413

Incorporated: New York
Fortune Rank: –
Assets: $5,278
Total Debt: $396
Debt/Asset Ratio: 7.5%
Lease Commitments: $1,147 (approx.)
Number of Employees: 349
Operating Revenue: $38,207
Income: $344 (a)
Net Income: $202
Foreign Operating Revenue: NA
Foreign Income: NA
Income Tax Rate: 43.3%
Regulation: SEC, CAB

Principal Underwriter(s)

None

Legal Counsel(s)

Rose, Rosen & Goldson (Gen. Couns.), NY: fees for 1974–NA

Transportation Subsidiaries

None

Control

Hector Garcia# (18.16%); Milton Gratt# (18.16%); Walter H. Marx# (18.16%); Gordon Keats# (0.37%); Frederick Hayes# (0.26%).

Business Lines		Percent of Operating Revenue	Percent of Income
Freight Forwarding:	air	90%	NA
	ocean	10	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	190,505	1	190,505	255

AMERICAN AIRLINES INC

633 Third Ave., New York, NY 10017

Incorporated: Delaware
Fortune Rank: 5 T
Assets: $1,640,691
Total Debt: $502,356
Debt/Asset Ratio: 30.6%
Lease Commitments: $1,239,800
Number of Employees: 35,820
Operating Revenue: $1,842,374
Income: $27,521 (b)
Net Income: $20,446
Foreign Operating Revenue: NA
Foreign Income: NA
Income Tax Rate: 25.4%
Regulation: SEC, CAB

Principal Underwriter(s)

S & DT (1971)–Lazard Freres & Co

Legal Counsel(s)

Debevoise, Plimpton, Lyons & Gates (General Counsel), NY: fees for 1974–$506
Prather, Levenberg, Seeger, Doolittle, Farmer & Ewing, DC: fees for 1974–$260

Transportation Subsidiaries – None

Comments

Corporate Structure: In a major diversification move in 1976 Company acquired the oil and gas properties and related real estate interests of Howard Corp, a small oil affiliate of Republic of Texas Corp. Howard had 1975 earnings of $6.5 million and oil and gas reserves valued at $100 million. In December Company announced plans to purchase 2 Americana hotels from the Loews Corp for over $10 million. The hotels, located in Puerto Rico and Florida, had been operated by Company under long-term leases since 1972. See also PAN AMERICAN WORLD AIRWAYS INC.

Major Transactions: In 1974 Company and PAN AMERICAN WORLD AIRWAYS INC agreed to exchange Company's South Pacific routes for PAN AM's routes between the Northeastern United States and points in the Caribbean. Under a contract expiring in 1977 Company buys half its fuel from TEXACO INC.

Labor: Between November 1973 and February 1974 Company laid off 3,000 employees in a reduction of operations attributed to fuel shortages.

Questionable Payments: In August 1973 Company disclosed to the Special Watergate Prosecutor that since 1964 it had made at least $275,000 in domestic political contributions from a slush fund, including a $55,000 illegal contribution to the Nixon reelection campaign. In October 1973 Company pleaded guilty to a misdemeanor charge for a violation of federal law and paid a $5,000 fine. In March 1974 the CAB filed a complaint against Company for violations of CAB accounting and reporting requirements related to the political contributions. In a settlement of the complaint Company and certain of its officers admitted to the violations, paid a $150,000 fine, and consented to an order which prohibited such violations in the future. In a January 1975 settlement of a shareholder suit, the officers responsible for the illegal contributions agreed to pay back $125,000 to Company and have been permanently enjoined from making such political contributions in the future. In 1977 Company disclosed an additional $62,000 in questionable payments between 1971 and 1974, including up to $40,000 in $100 to $1,000 illegal political contributions, mostly to members of Congress, and approximately $20,000 in free transportation for Mexican government officials and their families. Company reported that one of its subsidiaries had received $44,000 in discounts, advertising and promotional allowances from beer, wine and liquor suppliers.

Business Lines		Percent of Operating Revenue	Percent of Income
Airline:	passenger	79.8%	97.3%
	freight	6.6	
	other	2.7	
Food Services*		6.2	17.7
Hotels*		4.7	(15.0)

*Flagship International Inc subsidiary

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	28,549,000	1	28,549,000	82,438

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Gruner, Richard (Liechtenstein)	1,550,200E	5.43	1,550,200E	-
2. National Bank Of Detroit	1,236,354	4.33	1,315,354	68,546B
3. Dreyfus Corp*	989,400	3.47	989,400	-
Dreyfus Fd (974400)				
Dreyfus Third Century Fd (15000)				
4. Prudential Insur Co Of America<	800,000	2.80	800,000	-
5. Morgan Guaranty Trust Co	695,057	2.43	701,087	253,513B
6. Kemper Family Group	545,000	1.91	545,000	-
Supervised Investors Services Inc*				
Technology Fund (430000)				
Supervised Investors Gwth Fd (115000)				
7. Rowe Price (T) & Associates Inc*	529,300	1.85	529,300	-
Rowe Price (T) Gwth Stock Fd (529300)				
8. Delaware Mngt Co Inc*	450,900	1.58	450,900	-
Delaware Fund (442000)				
Delta Trend Fd (8900)				
9. Harris Trust & Savings Bk	417,412	1.46	425,107	-
10. Ohio State Teachers Retirement System	215,400B	.75	215,400B	-
11. National Aviation Corp	203,400	.71	203,400	-
12. Ford Foundation	200,000F	.70	200,000F	-
13. American National Financial Corp<	165,000	.57	165,000	-
American National Insur Co (125000)				
Securities Mngt & Research Inc*				
American National Growth Fd (40000)				
14. Security Benefit Life Insur Co<	160,000	.56	160,000	-
Security Mngt Co Inc*				
Security Equity Fd (160000)				
15. National Securities & Research Corp*	150,000	.52	150,000	-
National Securities Fd-Gwth Fd (150000)				
16. Vance Sanders & Co Inc*	140,000	.49	140,000	-
Vance Sanders Special Fd (140000)				
17. San Francisco City & County Employees' Retir	127,000B	.44	127,000B	-
18. Lehman Brothers Inc+	125,000	.43	125,000	-
Lehman Corp (125000)				
19. Bank Of America NTSA	113,655	.39	117,412	36,788B
20. Keystone Custodian Funds Inc*	100,000	.35	100,000	-
Keystone Custodian Fds Series S-3 (100000				
21. Luetzow, Albert E Family	97,700	.34	97,700	-
22. Security Pacific National Bk	94,748	.33	95,098	-
23. Crocker National Bk	90,190	.31	117,965	-
24. State Farm Mutual Automobile Insur Co<	90,000	.31	90,000	-
25. Transamerica Corp< (PT)	77,500	.27	77,500	-
Transamerica Insur Co (25000)				
Occidental Life Insur Co (52500)				
26. Kresege Foundation	72,000	.25	72,000	-
27. Rockefeller Family Interests	71,500	.25	71,500	-
Rockefeller Foundation (71500)				
28. Madison Fund Inc	71,000	.24	71,000	-
29. Chase Manhattan Bank NA	49,000	.17	374,000	224,100B
30. Manufacturers National Bk Of Detroit	4,560	.01	56,460	-
31. First National City Bank	2,200	-	46,600	196,000B
32. Seattle-First National Bk	1,420	-	101,420	-
33. Manufacturers Hanover Trust Co	-	-	200,300B	256,900B
34. Merrill Lynch & Co Inc<	-	-	-	1,621,012
Merrill Lynch Pierce Fenner & Sm+ (1621012)				
35. Bankers Trust Co	-	-	-	658,800B
36. Hutton (E F) & Co Inc+	-	-	-	331,432
37. Western Bancorporation<	-	-	-	293,000B
United California Bank (293000B)				
38. Bache Halsey Stuart Inc+	-	-	-	287,660

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
39. Dean Witter & Co+	-	-	-	287,455
40. Lincoln First Bank Of Rochester	-	-	-	220,300B
41. Chemical Bank	-	-	-	213,000B
42. Irving Trust Co	-	-	-	207,000B
43. Dupont Glore Forgan Inc+	-	-	-	204,100B
44. Loeb Rhoades & Co+	-	-	-	155,300B
45. First Natl Bk Of Minneapolis	-	-	-	148,800B
46. Bank Of New York	-	-	-	146,676
47. Paine Webber Jackson & Curtis Inc+	-	-	-	136,600B
48. Shearson Hayden Stone Inc<	-	-	-	129,800B
49. Drexel Burnham & Co Inc<	-	-	-	124,300B
TOTALS	9,634,896	33.75%	10,481,103	

TOP 5 SHAREHOLDERS VOTE 13.46% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 26.02% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 29.10% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 31.22% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 32.80% OF THE STOCK.

AMERICAN EXPORT INDUSTRIES INC

26 Broadway, New York, NY 10004

Incorporated: Delaware
Fortune Rank: 32 T
Assets: $291,616
Total Debt: $107,755
Debt/Asset Ratio: 37%
Lease Commitments: $92,071 (12-75)
Number of Employees: 5,381 (3-76)
Operating Revenue: $321,382
Income: $13,435 (a)
Net Income: $12,662
Foreign Operating Revenue: NA
Foreign Income: NA
Income Tax Rate: None
Regulation: SEC, FMC (American Export Lines Inc)

Principal Underwriter(s)

S (1970)—Kuhn, Loeb & Co

Legal Counsel(s)

Kissam & Halpin, NY: fees for 1974—NA

Transportation Subsidiaries

American Export Lines Inc (WC-CN)
Eastern Express Inc (MF-CN)

Comments

Corporate Structure: Since 1972 Company has been in default of interest payments on a series of debentures and notes held by a group of 21 banks, and on a Eurocurrency bank loan. To avoid seeking protection under the Federal Bankruptcy Act, Company implemented in December 1975 a Revised Plan of Recapitalization and Refinancing acceptable to its security holders. As a result of the new agreements with its creditors, effectively all Company assets have been pledged as security for the bank loans.

Changes in Corporate Control: The banks listed in the Stock Profile held Company stock as collateral for loans issued to companies controlled by the Isbrandtsen Family interests. When companies controlled by this group filed for bankruptcy in January 1975, the banks acquired the power to vote these shares, which are still formally owned by the Isbrandtsen interests.

Major Transactions: In 1974 Company's maritime transportation subsidiary derived 14% of its freight revenues from military contracts.

Legal Proceedings: Company has brought a suit against RJ REYNOLDS INDUSTRIES INC to force it to divest itself of McLean Industries, the intermediary parent of Sea Land Service Inc (ST).

Payments Disclosure: Company has initiated a court action against Mr. Jacob Isbrandtsen, former President and Chief Executive Officer of Company, and others, charging them with misappropriation of Company funds, some of which are claimed to have been used to make improper payments to labor and government officials, illegal political campaign contributions and illegal rebates to shippers.

Business Lines	Percent of Operating Revenue	Percent of Income
Maritime Transportation	67%	102.2%
Trucking	30	(3.3)
Terminal Operations	3	1.1

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	4,807,391	1	4,807,391	9,033
Ser. A Pfd.	338,495	1	338,495	2,117
Ser. B Pfd.	88,393	1	88,393	405
Total Votes Outstanding			5,234,279	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Irving Trust Co	455,714E	8.71	455,714E	-
2. Isbrandtsen Family Interests (22674E) Isbrandtsen Co Inc (355481E)	378,155E	7.22	378,155E	-
3. Mobil Oil Corp (PT)	130,938E	2.50	130,938E	-
4. Wells Fargo Bank NA	67,850E	1.30	67,850E	-
5. Marine Midland Bank-New York	58,062E	1.11	58,062E	-
6. Capital Research & Mngt Co* American Balanced Fd (20000)	20,000E	.38	20,000E	-
7. USLIFE Corp< General United Life Insur Co (15015)	15,015	.28	15,015	-
8. Federated Investors Inc< Federated Research Corp* Federated Inc & Pvt Placement (10712)	10,712	.20	10,712	-
9. Schroders Ltd< (England) Schroder Trust Co (9250E)	9,250E	.17	9,250E	-
TOTALS	1,145,696	21.89%	1,145,696	

TOP 5 SHAREHOLDERS VOTE 20.84% OF THE STOCK.

AMERICAN NATURAL GAS CO

30 Rockefeller Plz., New York, NY 10020

Incorporated: Delaware
Fortune Rank: 24 U
Assets: $2,340,526
Total Debt: $1,214,060
Debt/Asset Ratio: 51.9%
Lease Commitments: None
Number of Employees: 8,440
Operating Revenue: $845,169
Income: $161,413 (a)
Net Income: $92,225
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 43.8%
Regulation: SEC

Principal Underwriter(s)

S–Dillon, Read & Co; Merill Lynch; Salomon Brothers

Legal Counsel(s)

Sidley & Austin (Gen. Couns.), IL: fees for 1973–NA
Shannon & Morley, DC: fees for 1974–$115

Transportation Subsidiaries

Great Lakes Gas Transmission Co (PG-UN)
Michigan Wisconsin Pipe Line Co (PG-CN)

Comments

Corporate Structure: In February 1975 Company reincorporated in the State of Michigan. In April 1976 Company changed its name to American Natural Resources Co. Company owns Michigan Consolidated Gas Co, the largest gas distributor in Michigan, and until June 1975 also owned Wisconsin Gas Co, the largest distributor in Wisconsin, which was sold to Company stockholders. In 1975 Company acquired 3.8 billion tons of coal reserves in North Dakota where it began developing a coal gasification project. In November 1976 it acquired Associated Freightways Inc, the newly formed parent company of ASSOCIATED TRUCK LINES INC.

Capital Structure: In March 1975 Company publicly sold 2 million new shares of common stock.

Joint Ventures: Through Michigan Wisconsin Pipe Line Co (ST) Company has a 20% interest in the High Island Offshore System (see TEXAS GAS TRANSMISSION CORP). Company is a participant in the Alaskan Arctic Gas Pipeline Co and the Northern Border Pipeline Co (see NORTHERN NATURAL GAS CO).

Major Transactions: TEXAS GAS TRANSMISSION CORP is a major supplier to Michigan Wisconsin Pipe Line Co (ST), which in turn sells approximately two-thirds of its natural gas to Michigan Consolidated Gas Co, a Company subsidiary, and Wisconsin Gas Co, a former Company subsidiary. Michigan Consolidated Gas Co purchases approximately 79% of its gas from Michigan Wisconsin Pipe Line Co, 7.5% from PANHANDLE EASTERN PIPELINE CO and 4.4% from Great Lakes Gas Transmission Co (ST). The latter also has a long-term supply agreement with Natural Gas Pipeline Co of America (ST). Pending Canadian Government approval Company has entered into an agreement with Imperial Oil Ltd (controlled by EXXON CORP) which gives it the right to purchase one-quarter of the first 16 trillion cubic feet of natural gas produced by Imperial in the Mackenzie River Delta region of northern Canada.

Business Lines		Percent of Operating Revenue	Percent of Income
Natural Gas:	spaceheating	33.0%	NA
	industrial	19.9	NA
	nonaffiliated distributors	21.9	NA
	residential & commercial	1.7	NA
	storage & transportation	3.7	NA
	Wisconsin Gas Co	18.7	NA
	other	1.0	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	18,432,532	1	18,432,532	43,594

AMERICAN NATURAL GAS CO

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Provident National Bank (Penn)	607,835	3.30	622,917	-
2. Savings Banks Trust Co	327,200	1.78	327,200	-
Institutional Investors Mut Fd (327200)				
3. Lord Abbett & Co*	300,000	1.63	300,000	-
Affiliated Fund (300000)				
4. First National Bank Of Chicago	192,148	1.04	287,221	-
5. First & Merchants National Bank (Va)	169,175	.91	173,233	13,000A
6. Capital Research & Management Co*	162,500	.88	162,500	-
American Investment Income Fund (54600)				
American Balanced Fund (30000)				
Endowments (5000)				
Washington Mutual Investors Fd (72900)				
7. Bam, Foster Interests#	146,138	.79	146,138	-
8. USLIFE Corp<	140,000	.75	140,000	-
USLIFE Mutual Fds Management Corp*				
USLIFE Funds (140000)				
9. Royal Insurance Co-England (19800)	116,200	.63	116,200	-
American & Foreign Insurance Co (5000)				
Globe Indemnity Co (39000)				
Liverpool & London & Globe Insur Co (19600)				
Newark Insurance Co (10800)				
Royal Indemnity Co (11200)				
Safeguard Insurance Co (10800)				
10. Virginia National Bank	112,524	.61	117,379	-
11. Zurich Insurance Co (Switzerland)	111,900	.60	111,900	-
12. Lepercq De Neuflize & Co Inc*	95,200	.51	95,200	-
Istel Fund (95200)				
13. Bank Of America NTSA	93,970	.50	98,044	-
14. American Express Co<	75,697	.41	75,697	-
American Insurance Co (55000)				
Fireman'S Fund Insurance Co (9597)				
National Surety Corp (11100)				
15. Dreyfus Corp*	75,500	.40	75,500	-
Dreyfus Fund (75500)				
16. Northwestern Mutual Life Insurance Co	75,000	.40	75,000	-
17. Lincoln National Corp<	70,000	.37	70,000	-
Lincoln National Life Insurance Co (70000)				
18. Security Pacific National Bank	68,103	.36	105,065	-
19. General Accident Fire & Life Insur (England)	65,000	.35	65,000	-
Camden Fire Insurance Association (65000)				
20. International Telephone & Telegraph Corp<	58,500	.31	58,500	-
Hartford Accident & Indemnity Co (50000)				
Hartford Casualty Insurance Co (500)				
Hartford Life Insur Co (3000)				
New York Underwriters Insur Co (2000)				
Pacific Insurance Co (2500)				
21. Washington National Corp<	55,000	.29	55,000	-
Anchor Corp*				
Anchor Income Fund (55000)				
22. Hartford National Bank & Trust Co	53,438	.28	53,438	-
23. Barnett Bank Of Jacksonville NA	52,619	.28	67,497	-
24. Chase Manhattan Bank NA	48,000	.26	129,000	-
25. National City Bank Of Cleveland	47,188	.25	49,970	-
26. United States Trust Company	45,313X	.24	162,506X	-
27. Stanford University	43,100	.23	43,100	-
28. City Investing Co<	39,500	.21	39,500	-
Home Insurance Co (39500)				
29. Princeton University	38,000	.20	38,000	-
30. Murphy Favre Inc+	37,100	.20	37,100	-
Composite Research & Management Co*				
Composite Fund (22100)				
Composite Bond & Stock Fund (15000)				
31. Federated Investors Inc<	37,000	.20	37,000	-
Federated Research Corp*				
Boston Foundation (13000)				
Lutheran Brotherhood Fund (10000)				
Lutheran Brotherhood Income Fund (14000)				
32. First National Bank Of Akron	34,676	.18	38,764	-

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
33. Continental Corp< Fidelity & Casualty Co Of New York (20000) Firemen'S Insurance Co Of Newark (12143) Tokio Marine & Fire Insurance Co (1300)	33,443	.18	33,443	-
34. International Bank< Union Trust Co Of DC (36754)	32,246	.17	36,754	-
35. National Bank Of Detroit	29,749	.16	34,072	-
36. National Commercial Bank & Trust Co (Albany)	24,670	.13	70,290	-
37. First National City Bank	21,536	.11	333,170	37,871A
38. Citizens & Southern National Bank	21,445	.11	62,651	-
39. First Pennsylvania Bank NA	20,719	.11	52,122	-
40. Bankers Trust Co (NY)	-	-	183,000	-
41. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (254734)	-	-	-	254,734A
42. Abraham & Co+	-	-	-	129,963A
43. Bache Halsey Stuart Inc+	-	-	-	42,280A
44. Shields & Co+	-	-	-	33,936A
TOTALS	3,777,332	20.49%	4,779,071	

TOP 5 SHAREHOLDERS VOTE 8.66% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 12.34% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 14.79% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 16.62% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 18.01% OF THE STOCK.

ARKANSAS BEST CORP

1000 S. 21st St., Fort Smith, AR 72901

Incorporated: Delaware
Fortune Rank: –
Assets: $79,123
Total Debt: $32,790
Debt/Asset Ratio: 41.4%
Lease Commitments: $4,273
Number of Employees: 3,724
Operating Revenue: $128,673
Income: $7,302 (b)
Net Income: ($5,298)
Foreign Operating Revenue: None
Foreign Income: None

Income Tax Rate: 47.1%
Regulation: SEC

Principal Underwriter(s)

S (1972)–Merrill Lynch

Legal Counsel(s)

Harper, Young & Smith (Gen. Couns.), AR: fees for 1974–$102

Transportation Subsidiaries

Arkansas-Best Freight System Inc (MF-CN)

Comments

Corporate Structure: In 1975 Company sold 51% of the stock of National Bank of Commerce of Dallas, an unconsolidated banking subsidiary with assets of $323 million, with the intention of disposing of its remaining 14% interest in the bank. In July 1976 Company purchased at a public sale and auction a portion of the operating rights of the bankrupt ASSOCIATED TRANSPORT INC.

Business Lines	Percent of Operating Revenue	Percent of Income
Trucking	69.0%	88.0%
Furniture Manufacturing	28.8	8.8
Tire Recapping, Data Processing, Other	2.2	3.2

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	2,885,204	1	2,885,204	2,328

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Young, Robert A Jr Family Interests# Young, Robert A Jr Estate (340451) Young, Vivian C (84042) Harper, Thomas (53103) Young, Robert A 3rd (241300) Hembree, H L (274051) Speed, J B (252330)	1,245,277	43.16	1,245,277	-

ARKANSAS BEST CORP

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
2. Udouj Family Interests#	196,418	6.81	196,418	-
Odouj, Herman J (182695)				
Odouj, Richard L (13723)				
3. Seligman (J & W) & Co+	93,900	3.25	93,900	-
Union Service Corp*				
Tri-Continental Corp (50000)				
Union Capital Fd (43900)				
4. Kemper Family Group	60,000	2.08	60,000	-
Supervised Investors Services Inc*				
Supervised Investors Summit Fd (60000)				
5. Integon Corp<	22,700	.78	22,700	-
Integon Life Insurance Corp (5800)				
Integon Investment Mngt Corp*				
Integon Growth Fund (16900)				
6. Watson, W Wise#	15,400	.53	15,400	-
7. State Bond & Mortgage Co*	10,000	.34	10,000	-
Progress Fund (10000)				
8. Yantis, John M#	7,384	.25	7,384	-
9. Wachovia Bank & Trust Co NA	-	-	25,200	-
TOTALS	1,651,079	57.23%	1,676,279	

TOP 5 SHAREHOLDERS VOTE 56.09% OF THE STOCK.

ARKANSAS LOUISIANA GAS CO

P.O. Box 1734, Shreveport, LA 71151

Incorporated: Delaware

Fortune Rank: –

Assets: $616,028

Total Debt: $267,634

Debt/Asset Ratio: 43.4%

Lease Commitments: $27,019

Number of Employees: 4,452

Operating Revenue: $277,875

Income: $46,409 (b)

Net Income: $47,905

Foreign Operating Revenue: None

Foreign Income: None

Income Tax Rate: 20.7%

Regulation: SEC, FPC

Principal Underwriter(s)

DT–Salomon Brothers; Stephens Inc

Legal Counsel(s)

Blanchard, Walker, O'Quin & Roberts (Gen. Couns.), LA: fees for 1974–$149; Ropes & Gray, MA: fees for 1974–$38; Ross, Marsh & Foster, DC: fees for 1974–$12

Transportation Subsidiaries

None

Comments

Corporate Structure: In 1974 Company sold its chemical fertilizer division to a French company and its forest products division to International Paper Co. In 1975 Company made its first investment in coal by acquiring a 50% interest in 1 billion tons of coal reserves.

Changes in Corporate Control: Witt and Jack Stephens, one-time majority owners of Company and current owners of a major Company underwriter, Stephens Inc, were reported by *Forbes* to own 300,000 shares as of December 1976. Public sources on stock ownership, however, attribute only 100,000 shares to Witt Stephens.

Capital Structure: In November 1975 Company completed a 5-for-4 split of its common stock.

Major Transactions: See CITIES SERVICE CO.

Business Lines	Percent of Operating Revenue	Percent of Income
Natural Gas	72.3%	86.2%
Cement	7.8	8.6
Air Conditioning & Appliances	15.3	(1.7)
Chemical & Petroleum Products	4.5	6.5
Finance	–	0.4

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	10,053,338	1	10,053,338	32,226
CU Pref.	109,346	1	109,346	1,250
Total Votes Outstanding			10,162,684	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. American General Insur Co<	339,800	3.34	339,800	-
American General Life Insur Of Okla (1500)				
American General Life Insur Of Tex (29000)				
American General Life Insur Of NY (9000)				
Life & Casualty Insur Of Tenn (10000)				
Maryland Casualty Co (65000)				
Variable Annuity Life Insur Co (85000)				
American General Capital Mngt Inc*				
American General Gwth Fd (5000)				
Channing Securities (5300)				
Channing Shares (40000)				
Channing Income Fd (40000)				
Provident Fd For Income (50000)				
2. Lord Abbett & Co*	319,600	3.14	319,600	-
Affiliated Fd (319600)				
3. Stephens Family Interest (Arkansas)	277,000	2.73	277,000	-
Stephens, Witt R & Jack (240000)				
Union Life Insurance Co (37000)				
4. Pittsburgh National Bk	264,237	2.60	265,937	119,913
5. Neuberger & Berman+	180,000	1.77	180,000	-
Cedar Street Consultants Inc*				
Energy Fd (130000)				
Guardian Mutual Fd (50000)				
6. Thompson (M D) & Son Co	150,000	1.48	150,000	-
7. Lamport, Harold#	55,830F	.54	55,830F	-
8. SAFECO Corp<	52,200	.51	52,200	-
First Natl Insur Co Of Am (45000)				
General Insur Co Of Am (5000)				
SAFECO Investment Mngt Corp*				
SAFECO Income Fd (2200)				
9. Benedum, (Claude Northington) Foundation	50,012	.49	50,012	-
10. Security Benefit Life Insur Co< (5600)	45,600	.44	45,600	-
Security Mngt Co Inc*				
Security Investment Fd (40000)				
11. Bankers Life Co	42,460	.41	42,460	-
12. United States Trust Co	42,125X	.41	63,667X	-
13. Minnesota Mutual Life Insur Co	41,300	.40	41,300	-
14. Dreyfus Corp*	40,000	.39	40,000	-
Dreyfus Special Income Fd (40000)				
15. Rabsamen, Raymond#	38,000F	.37	38,000F	-
16. American Mutual Liability Insur Co (22000)	32,400	.31	32,400	-
American Mutual Insur Co Of Boston (5000)				
American Policyholders' Insur Co (5400)				
17. St Paul Companies Inc<	27,800	.27	27,800	-
Imperial Investment Mngt Co*				
Imperial Capital Fd (27800)				
18. Chase Manhattan Bk NA	23,000	.22	118,700	15,500
19. Seattle-First Natl Bank	-	-	50,300	-
20. Winters National Bank & Tr Co (Ohio)	-	-	20,350	-
21. Morgan Guaranty Trust Co	-	-	-	86,450
22. Chemical Bank	-	-	-	50,000
TOTALS	2,021,364	19.89%	2,210,956	

TOP 5 SHAREHOLDERS VOTE 13.59% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 17.07% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 19.07% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 19.89% OF THE STOCK.

ASSOCIATED TRANSPORT INC

Eastern & Moonachie Aves., Carlstadt, NJ 07072

Incorporated: Delaware
Fortune Rank: –
Assets: $50,629
Total Debt: $42,822
Debt/Asset Ratio: 84.6%
Lease Commitments: NA
Number of Employees: 6,100 (approx.)
Operating Revenue: $135,758
Income: ($20,878) (a)
Net Income: ($26,639)
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: None
Regulation: SEC, ICC

Principal Underwriter(s)

NA

Legal Counsel(s)

Ballon, Stoll & Itzler, NY: fees for 1976–NA

Transportation Subsidiaries

None

Control

EASTERN FREIGHT WAYS INC (45.5%); Horton Family Interests# (10.00%); Everett J. Arbour# (1.2%); F. Ralph Nogg# (.68%); William H. Clausen# (.32%); John J. Lane# (.27%); John J. McCarthy# (.38%); Andrew G. Anderson# (.26%).

Comments

Corporate Structure: See EASTERN FREIGHT WAYS INC.

Business Lines	Percent of Operating Revenue	Percent of Income
Trucking	90%+	(90%+)

Stock Structure

Class	Shares Outstanding (5-17-74)	Votes per Share	Total Votes per Class	Stockholders of Record
Common	1,565,828	1	1,565,828	NA

ASSOCIATED TRUCK LINES INC

Vandenberg Ctr., Grand Rapids, MI 49502

Incorporated: Michigan
Fortune Rank: –
Assets: $37,759
Total Debt: $8,786
Debt/Asset Ratio: 23.3%
Lease Commitments: $9,295
Number of Employees: 2,722
Operating Revenue: $91,900
Income: $6,821 (b)
Net Income: $3,571
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 44.1%
Regulation: SEC, ICC

Principal Underwriter(s)

NA

Legal Counsel(s)

Warner, Norcross & Judd, MI: fees for 1974–$33

Transportation Subsidiaries

None

Comments

Corporate Structure: In October 1975 EASTERN GAS & FUEL ASSOCIATES terminated a prior agreement to acquire Company. In April 1976 Company formed a holding company, Associated Freightways Inc, to act as Company's parent. The latter was acquired by American Natural Resources Co, the newly formed parent of AMERICAN NATURAL GAS CO.

Major Transactions: In 1974 and 1975 8.4% and 10.2% respectively of Company's trucking revenues came from General Motors Corp and 7.7% and 7% from Ford Motor Co. In 1974 the 3 companies which supplied 84% of Company's sale, repair and leasing subsidiary needs terminated their operations.

Labor: Company is a co-defendant with 349 trucking companies in a class action suit brought by the Equal Employment Opportunity Commission charging companies with discriminatory employment practices.

Business Lines	Percent of Operating Revenue	Percent of Income
Trucking	89.1%	89%
Sale, Repair & Leasing of Trucking & Other Equipment	10.9	11

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Class A Common	1,177,675	1	1,177,675	2,777

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Bylenga, Cornelius & Dan E Bylenga#	129,347F	10.98	129,347F	-
2. Fles, J Herman#	61,507F	5.22	61,507F	-
3. Krause, Edward	53,259B	4.52	53,259B	-
4. Central Cartage Co	52,320B	4.44	52,320B	-
5. Associated Truck Lines Profit-Share Retir Pln	45,798B	3.89	45,798B	-
6. Hinton, H J#	42,670F	3.62	42,670F	-
7. Old Kent Bk & Tr Cc (Mich)	24,323B	2.07	24,323B	-
8. Robertson, John V	19,562B	1.66	19,562B	-
9. Bradshaw, Conrad A#	7,205F	.61	7,205F	-
10. Hillborn, William M#	4,929F	.41	4,929F	-
11. Buter, Gordon H#	4,142F	.35	4,142F	-
12. Maentz, Donald T#	2,655F	.22	2,655F	-
13. Hutton (E F) & Co Inc+	-	-	-	30,245B
14. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (26884B)	-	-	-	26,884B
TOTALS	447,717	38.02%	447,717	

TOP 5 SHAREHOLDERS VOTE 29.06% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 37.44% OF THE STOCK.

ATLANTIC RICHFIELD CO

515 S. Flower St., Los Angeles, CA 90071

Incorporated: Pennsylvania
Fortune Rank: 18
Assets: $6,151,608
Total Debt: $1,414,068
Debt/Asset Ratio: 23%
Lease Commitments: $1,072,660
Number of Employees: 28,800
Operating Revenue: $7,166,900
Income: $742,900 (c)
Net Income: $474,605
Foreign Operating Revenue: 24.4%
Foreign Income: 17.4%
Income Tax Rate: 12.2%
Regulation: SEC

Principal Underwriter(s)

DT–Smith, Barney; Merrill Lynch

Legal Counsel(s)

Francis & McCormick: fees for 1973–NA; Hughes, Hubbard & Reed, NY: fees for 1973–NA; Arnold & Porter, DC: fees for 1974–NA

Transportation Subsidiaries

Arco Pipe Line Co (PO-CN)

Comments

Corporate Structure: In April 1976 Company acquired a 27% interest in Anaconda Co and in July announced plans to seek 100% ownership despite FTC opposition on antitrust grounds. In November Company sought to erase one of FTC's complaints by selling for $50 million its entire uranium holding to UNITED STATES STEEL CORP. In August 1976 Company sold its Canadian production operations to an affiliate of the Canadian Government for $340 million. In November it acquired a 90% interest in the publisher of the London *Observer,* a weekly newspaper. Company's transportation operations include a fleet of 22 ocean-going oil tankers with a total deadweight tonnage of 1,400,000. Company owns 18 of these tankers (of which 3 are registered under foreign flag) and charters 4. Company also uses voyage charters and operates smaller vessels on the Great Lakes, inland waterways and along U.S. coasts.

Capital Structure: In June 1976 Company effected a 2-for-1 split of its common stock.

Joint Ventures: Through Arco Pipeline Co (ST) Company has a 21% interest in Alyeska Pipeline Service Co which is building and will operate the 798-mile trans-Alaska pipeline. Other participants in this joint venture are pipeline companies owned by Standard Oil Co (Ohio) (33.34%), British Petroleum Co Ltd (15.84%), EXXON CORP (20%), MOBIL OIL CORP (5%), Union Oil Co of California (1.66%), PHILLIPS PETROLEUM CO (1.66%) and the Amerada Hess Corp (1.5%). In June 1976 Company announced a $1 billion petrochemical joint venture with El Du Pont de Nemours & Co.

Major Transactions: In 1975 Company was the 73rd largest defense contractor with almost $73 million in revenues from military contracts.

Labor: In August 1976, 10 Company employees were contaminated with radioactivity when atomic waste exploded in Company's radioactive waste recovery operations in Richland, WA.

Payments Disclosure: In July 1976 Company disclosed questionable payments totalling $270,000 since January 1, 1969. Company also made $50,000 in "legal" foreign political payments.

Business Lines	Percent of Operating Revenue	Percent of Income
Petroleum Products	58.9%	81.6%
Crude Oil	29.1	
Natural Gas	3.3	
Other	2.2	
Chemical Products	6.5	16.6
Corporate Expenses	–	1.8

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	47,020,000	1	47,020,000	132,863
$3 CU CV Pref.	1,271,000	2	2,542,000	13,050
$2.80 CU CV Pref.	12,048,000	½	6,024,000	68,529
Total Votes Outstanding			55,586,000	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. First National City Bank (NY)	1,702,653	3.06	2,223,651	-
2. Atlantic Richfield Thrift Plans (Trustees-Company Officers)	1,287,725	2.32	1,287,725	-
3. Chase Manhattan Bank NA	952,000	1.71	1,552,500	-
4. Manufacturers Hanover Trust Co	811,420	1.46	892,166	-
Bank Fiduciary (Equity) Fd (10000)				
5. Bankers Trust Co (NY)	732,320	1.32	1,083,000	-
6. Harris Trust & Savings Bank (Chicago)	602,771	1.08	670,035	-
7. First National Bank Of Chicago	551,056	.99	628,612	-
8. Bank Of America NTSA	461,788	.83	481,425	-
9. Alleghany Corp< (PT)	460,700	.82	460,700	-
Investors Diversified Services Inc*				
Investors Stock Fund (310700)				
Investors Variable Payment Fd (150000)				
10. Equitable Life Assurance Society Of The US	450,000	.80	450,000	-
11. Mellon Bank NA	445,953	.80	570,873	-
12. Chemical Bank (NY)	423,180	.76	492,000	-
13. American General Insurance Co<	392,100	.70	392,100	-
American Genl Life Insur Co Of De (19500)				
American Genl Life Insur Co Of Tx (9000)				
American Genl Life Insur Co Of NY (2000)				
Life & Casualty Insur Co Of Tn (33500)				
Maryland Casualty Co (72500)				
Variable Annuity Life Insur Co (63000)				
Fidelity & Deposit Co Of Md (8000)				
American Genl Capital Mngt Inc*				
Channing Shares Inc (64600)				
Channing Securities Inc (27500)				
Enterprise Fund (25000)				
Equity Growth Fd Of America (21000)				
Equity Progress Fund (2000)				
Fund Of America (15000)				
Legal List Investments (23000)				
Mosher Inc (6500)				
14. New York State Teachers' Retirement System	365,000	.65	365,000	-
15. Marlennan Corp<	347,500	.62	347,500	-
Putnam Management Co*				
Putnam Growth Fund (180000)				
Putnam Investors Fd ([illegible]0000)				
Putnam Convertible Fund (10000)				
Putnam Duo Fund (7500)				
George Putnam Fd Of Boston (50000)				
16. Anderson, Robert O & Family#	347,235E	.62	347,235E	-
17. Metropolitan Life Insurance Co (340300)	343,300	.61	343,300	-
Metropolitan Property & Liability (3000)				
18. California Employees' Retirement System	317,000F	.57	317,000F	-
19. First National Bank Of Boston	311,950	.56	338,850	-
20. Ford Foundation	284,000C	.51	284,000C	-
21. Prudential Insurance Co Of America<	275,000	.49	275,000	-
22. Wachovia Bank & Trust Co NA	256,871	.46	296,450	-
23. Massachusetts Financial Services Inc*	250,000	.44	250,000	-
Massachusetts Investors Trust (250000)				
24. Home Oil Co Ltd (Canada)	248,636	.44	248,636	-
25. Continental Investment Corp<	248,100	.44	248,100	-
John P Chase Inc*				
Chase Fund Of Boston (15000)				
Chase Special Fd Of Boston (6100)				

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power		Total Managed Holdings	Management Powers Not Identified
	Number of Votes	Percent Total Votes		
Waddell & Reed Inc*				
United Accumulative Fund (150000)				
United Income Fund (10000)				
United Science Fund (60000)				
United Vanguard Fund (7000)				
26. Power Corp-Investors Group Of Canada<	243,800	.43	243,800	-
Great-West Life Assurance Co (31800)				
Investors Securities Mngt Ltd*				
Investor Mutual Of Canada (200000)				
Investor International Mutual Fd (12000)				
27. Security Pacific National Bank	230,435	.41	274,842	-
28. Capital Research & Management Co*	211,500	.38	211,500	-
Investment Company Of America (120000)				
New Perspective Fd (25000)				
Capital Fund Of America (40000)				
American Balanced Fund (15000)				
Stock Fund Of America (9000)				
Endowments Inc (2500)				
29. Provident National Bank (Penn)	203,997	.36	259,317	-
30. New York State Common Retirement Fund	199,000	.35	199,000	-
31. New York City Comptroller'S Office	185,000H	.33	185,000H	-
32. Kemper Family Group	182,250	.32	182,250	-
American Manufacturers Mutual Insur (6000)				
Fidelity Life Association (1250)				
Kemper Security Insur Co (400)				
Lumbermans Mutual Casualty Co (30000)				
American Motorists Insurance Co (2500)				
Federal Kemper Life Insur Co (500)				
Iowa Kemper Insurance Co (500)				
Kemper Reinsurance Co (2500)				
Supervised Investors Service Inc*				
Technology Fund (100000)				
Supervised Investors Growth Fd (30000)				
Supervised Investors Income Fd (6000)				
Supervised Investors Summit Fd (2000)				
American Equity Fund (600)				
33. Lehman Brothers Inc+	175,000	.31	175,000	-
Lehman Corp (95000)				
One William Street Fund (80000)				
34. First Pennsylvania Bank NA	173,363	.31	368,026	-
35. Continental Illinois National Bank & Trust Co	173,164	.31	233,851	-
36. Wells Fargo Bank NA	167,037	.30	202,986	-
37. Crocker National Bank	161,643	.29	183,409	-
38. New Jersey Division Of Investment	152,000F	.27	152,000F	-
39. New York City Teachers' Retirement System	145,823	.26	145,823	-
40. Fidelity Management & Research Co*	144,100	.25	144,100	-
Contrafund Inc (12000)				
Fidelity Fund (85000)				
Fidelity Trend Fund (47100)				
41. Oppenheimer & Co+	140,000	.25	140,000	-
Oppenheimer Management Corp*				
Oppenheimer Fund (140000)				
42. New England Mutual Life Insur Co (111650)	139,550	.25	139,550	-
Loomis Sayles & Co Inc*				
Loomis Sayles Capital Devel Fd (18000)				
NEL Growth Fd (7600)				
NEL Equity Fd (2300)				
43. Dreyfus Corp*	132,500	.23	132,500	-
Dreyfus Fund (132500)				
44. Yale University	132,000G	.23	132,000G	-
45. Robeco* (Netherlands)	130,000	.23	130,000	-
Rolinco (130000)				
46. Washington National Corp<	123,000	.22	123,000	-
Washington National Insurance Co (3000)				
Anchor Corp*				
Fundamental Investors (120000)				
47. Aetna Life & Casualty Co (46900)	119,800	.21	119,800	-
Aetna Life Insurance Co (50150)				
Aetna Variable Annuity Life Insur (18000)				
Aetna Investment Management Inc*				
Aetna Income Shares (1750)				
Aetna Fund (3000)				

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
48. United States Fidelity & Guaranty Co	115,100	.20	115,100	-
49. Royal Insurance Co Ltd-England (13700)	114,100	.20	114,100	-
American & Foreign Insurance Co (6800)				
British & Foreign Marine Insur Co (2500)				
Globe Indemnity Co (25400)				
Liverpool & London & Globe Insur Co (13800)				
London & Lancashire Insur Co Ltd (2300)				
Newark Insurance Co (8300)				
Royal Globe Insur Co Of America (15400)				
Royal Indemnity Co (17500)				
Safeguard Insurance Co (8400)				
50. International Telephone & Telegraph Corp<	112,500	.20	112,500	-
New England Reinsurance Corp (500)				
Hamilton Management Corp•				
Hamilton Funds (100000)				
Hamilton Growth Fund (12000)				
51. Mutual Life Insurance Company Of NY (106700)	110,700	.19	110,700	-
Mony Advisers Inc•				
Mony Fund (4000)				
52. Ohio State Teachers Retirement System	109,600H	.19	109,600H	-
53. Tisch Family Group-Loews Corp<	108,826	.19	108,826	-
American Casualty Co Of Reading Pa (14000)				
Continental Assurance Co (50776)				
National Life Insur Co Of Hartford (16000)				
Continental Casualty Co (26800)				
CNA Management Corp•				
Liberty Fund (1250)				
54. INA Corp<	104,750	.18	104,750	-
Insurance Company Of North America (104750)				
55. California, University Of	104,322G	.18	104,322G	-
56. Rockefeller Family Interests	102,750	.18	102,750	-
Rockefeller Foundation (102750)				
57. Seligman (J & W) & Co+	100,000	.17	100,000	-
Union Service Corp•				
National Investors Corp (100000)				
58. First National Bank In Dallas	98,835	.17	106,285	-
59. Seattle-First National Bank	68,315	.12	137,837	-
60. United States Trust Co	30,962X	.05	226,945X	-
61. New England Merchants National Bank	24,463	.04	114,636	-
62. Atlantic National Bank Of Jacksonville	10,514	.01	698,000	-
63. Mercantile-Safe Deposit & Trust Co	-	-	205,235	-
64. Hartford National Bank & Trust Co	-	-	197,696	-
TOTALS	17,848,944	32.11%	21,692,880	

TOP 5 SHAREHOLDERS VOTE 9.87% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 14.41% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 17.97% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 20.85% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 23.15% OF THE STOCK.

BOMAINE CORP

2121 S. Bundy Dr., Los Angeles, CA 90064

Incorporated: Delaware
Fortune Rank: –
Assets: $16,094
Total Debt: $7,382 (approx.)
Debt/Asset Ratio: 45.9%
Lease Commitments: $3,440
Number of Employees: 385
Operating Revenue: $22,288
Income: ($2,831) (b)
Net Income: ($2,999)
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: Tax paid on neg. inc.
Regulation: SEC

Principal Underwriter(s)

NA

Legal Counsel(s)

Irell & Manella, CA: fees for 1974– NA

Transportation Subsidiaries

Boston & Maine Corp (RR-UN)

Comments

Corporate Structure: Following Company's unsuccessful attempt to sell its sheet metal contracting subsidiary in 1975, the latter filed for reorganization under Chapter XI of the Federal Bankruptcy Act. In May 1976 the ICC approved Boston & Maine Corp's (ST) sale of 279 miles of commuter lines to the Massachusetts Bay Transportation Authority for $39.5 million. In 1972 Boston & Maine Corp filed for reorganization under Section 77 of the Federal Bankruptcy Act. During bankruptcy proceedings the stockholders lose their power to elect directors and the trustees are appointed by the court.

Business Lines	Percent of Operating Revenue	Percent of Income
Tire Sales & Automotive Services	81.1%	33.2%
Real Estate	4.5	(13.3)
Finance Contracts	0.9	1.1
Discontinued Op. (Sheet Metal Contr.)	13.5	(121.0)

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	2,544,326	1	2,544,326	2,096

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Moore, John W Jr	257,143F	10.11	257,143F	-
2. Bronstein, Gerald M#	221,907	8.72	221,907	-
3. Kalsman, Irving L#	166,820	6.56	166,820	-
4. Arnold Bernard & Co Inc* Value Line Special Situations Fd (84000)	84,000	3.30	84,000	-
5. Hill, Herbert & Family Interests#	7,000	.27	7,000	-
TOTALS	736,870	28.96%	736,870	

TOP 5 SHAREHOLDERS VOTE 28.96% OF THE STOCK.

BRANCH INDUSTRIES INC

114 Fifth Ave., New York, NY 10011

Incorporated: Delaware
Fortune Rank: –
Assets: $42,287
Total Debt: $12,747
Debt/Asset Ratio: 30.1%
Lease Commitments: $6,170
Number of Employees: 2,736 (2-75)
Operating Revenue: $92,938
Income: $2,369 (b)
Net Income: $1,204
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 49.2%
Regulation: SEC, ICC

Principal Underwriter(s)

S (1968)–New York Securities Co

Legal Counsel(s)

Delson & Gordon (Gen. Couns.), NY: fees for 1974–$28

Transportation Subsidiaries

Branch Motor Express Co (MF-CN)

Business Lines	Percent of Operating Revenue	Percent of Income
Trucking	90%+	90%+

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (2-28-75)
Common	2,494,176	1	2,494,176	1,552

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Butensky-Burten Family & Associates#	1,735,175F	69.57	1,735,175F	-
2. Platt, R	222,000	8.90	222,000	-
3. Anker, Henry J & Family#	39,000F	1.56	39,000F	-
TOTALS	1,996,175	80.03%	1,996,175	

TOP 5 SHAREHOLDERS VOTE 80.03% OF THE STOCK.

BRANIFF INTERNATIONAL CORP

Braniff Airways Tower, Exchange Pk., Dallas, TX 75235

Incorporated: Nevada
Fortune Rank: 19 T
Assets: $497,774
Total Debt: $245,942
Debt/Asset Ratio: 49.4%
Lease Commitments: $314,835
Number of Employees: 10,700
Operating Revenue: $552,396
Income: $55,751 (a)
Net Income: $26,137
Foreign Operating Revenue: See Comments
Foreign Income: See Comments

Principal Underwriter(s)

S & DT–Goldman, Sachs & Co

Income Tax Rate: 31.1%
Regulation: SEC

Legal Counsel(s)

Arnold & Porter, DC: fees for 1974–$766

Transportation Subsidiaries

Braniff Airways Inc (AL-CN)

Comments

Corporate Structure: In 1974 and 1975 international flights respectively contributed 24.4% and 23.2% of Company's airline operating revenues and 37.7% and 3% of airline net income. Company also has foreign hotel and restaurant operations.

Major Transactions: See WALTER KIDDE & CO.

Labor: In March 1975 Braniff Airways Inc (ST) was sued by the Air Line Pilots Association for alleged sex discrimination in its employment practices. In September 1976 the airline tentatively agreed to pay $1.5 million to minority employees in a proposed consent decree to settle a 3-year-old employment discrimination suit. This suit was brought against Braniff by the Teamsters, the International Association of Machinists and the Equal Employment Opportunity Commission.

Legal Proceedings: In February 1975 Company and Texas International Airlines were indicted by a federal grand jury for violating the Sherman Antitrust Act.

Payments Disclosure: In April 1976 Braniff Airways Inc (ST) agreed to pay a $300,000 civil penalty in settlement of a CAB charge that it had made unrecorded sales of tickets to generate a slush fund. This fund was used to make more than $1 million in illegal domestic political campaign contributions and payoffs to Latin American travel agents. Company officials involved also consented to an injunction against such practices in the future. The SEC is pursuing an investigation of the matter and an IRS investigation recommended that Company be indicted for filing false income tax returns. In November 1976 Company admitted to a $31,000 payoff to a Latin American official to stave off a government take-over of its operations.

Business Lines	Percent of Operating Revenue	Percent of Income
Airline: passenger	84.1%	NA
express, freight & mail	7.4	NA
charter	2.7	NA
transport related	3.4	NA
other	1.8	NA
Hotels, Restaurants, Real Estate & Education Systems	0.6	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (3-6-75)
Common	19,952,723	1	19,952,723	40,500

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Dreyfus Corp* Dreyfus Fd (939958)	939,958	4.71	939,958	-
2. Capital Research & Mngt Co* Investment Co Of America (650000) New Perspective Fd (100000)	750,000	3.76	750,000	-
3. Ohio State Teachers Retirement System	624,679H	3.13	624,679H	-
4. Keystone Custodian Fds Inc* Keystone Custodian Fds Ser S-4 (350000)	350,000	1.75	350,000	-
5. First Natl Bk Of Chicago	327,630	1.64	444,960	450,866B
6. National Aviation Corp	250,000	1.25	250,000	-
7. Lehman Brothers Inc+ Lehman Corp (206000)	206,000	1.03	206,000	-
8. Wood Struthers & Winthrop Inc+ Wood Struthers & Winthrop Mngt Corp* De Vegh Mutual Fd (140000)	140,000	.70	140,000	-
9. Chestnutt Corp* American Investors Fd (118500)	118,500	.59	118,500	-
10. First Investors Mngt Co* First Investors Fd For Gwth (103000)	103,000	.51	103,000	-
11. Continental Investment Corp< Waddell & Reed Inc* United Accumulative Fd (100000)	100,000	.50	100,000	-
12. Common Fund	90,000F	.45	90,000F	-
13. Calvin Bullock Ltd* Bullock Fd Ltd (82400)	82,400	.41	82,400	-
14. Republic Natl Bk Of Dallas	66,740	.33	66,740	-
15. American General Insur Co< American General Capital Mngt Inc* Channing Securities (5000) Channing Venture Fd (20000) Equity Growth Fd Of Am (5000) Equity Progress Fd (31000)	61,000	.30	61,000	-
16. Madison Fd Inc	60,000	.30	60,000	-
17. Northwestern Natl Bk Of Minneapolis	59,895	.30	59,895	51,400B
18. Nationwide Corp< Heritage Securities Inc* Mutual Invest Found-Mif Gwth Fd (51500)	51,500	.25	51,500	-
19. Crocker National Bk	51,015	.25	166,320	-
20. American Republic Insur Co	50,900	.25	50,900	-
21. Massachusetts Financial Services Inc* Mass Capital Devel Fd (40000)	40,000	.20	40,000	-
22. American Security & Tr Co (DC)	21,030	.10	21,030	47,366B
23. Morgan Guaranty Tr Co	13,000	.06	13,000	158,168B
24. Manufacturers Natl Bk Of Detroit	-	-	80,700	-
25. National Bk Of Detroit	-	-	51,605	-
26. First Pennsylvania Bank NA	-	-	50,000	46,350B
27. Chase Manhattan Bk NA	-	-	47,000	69,736
28. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner+ (1954289)	-	-	-	1,954,289

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
29. Bankers Trust Co	-	-	-	1,056,539B
30. Hutton (E F) & Co Inc+	-	-	-	325,132
31. Bache Halsey Stuart Inc+	-	-	-	287,455
32. Dean Witter & Co+	-	-	-	277,961
33. Loeb Rhoades & Co+	-	-	-	185,542B
34. Paine Webber Jackson & Curtis Inc+	-	-	-	178,259
35. Pershing & Co Inc+	-	-	-	170,458
36. Chemical Bank	-	-	-	161,748B
37. Manufacturers Hanover Tr Co	-	-	-	143,717B
38. Reynolds Securities Inc+	-	-	-	142,133B
39. Bank Of New York	-	-	-	134,745
40. Shearson Hayden Stone Inc<	-	-	-	133,062B
41. Hornblower & Weeks-Hempill Noyes Inc+	-	-	-	116,095
42. Thomson Mckinnon Auchincloss Kohlmeyer Inc+	-	-	-	110,011B
43. United States Trust Co Of NY	-	-	-	90,253B
44. Edwards (A G) & Sons Inc+	-	-	-	83,651B
45. Harriman Family Group Brown Brothers Harriman & Co (67985B)	-	-	-	67,985B
46. First Penn Bank NA	-	-	-	46,350B
TOTALS	4,557,247	22.84%	5,019,187	

TOP 5 SHAREHOLDERS VOTE 15.00% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 19.09% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 21.10% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 22.47% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 22.84% OF THE STOCK.

BURLINGTON NORTHERN INC

176 E. Fifth St., St. Paul, MN 55101

Incorporated: Delaware
Fortune Rank: 7 T
Assets: $3,187,647
Total Debt: $983,245
Debt/Asset Ratio: 30.8%
Lease Commitments: $272,330
Number of Employees: 49,000
Operating Revenue: $1,551,515
Income: $149,526 (a)
Net Income: $84,286
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 20.2%
Regulation: SEC, ICC

Principal Underwriter(s)

DT–Morgan Stanley & Co

Legal Counsel(s)

NA

Transportation Subsidiaries

None

Comments

Corporate Structure: Company owns BN Transport Inc, a Class I trucking subsidiary with 1974 revenues of $20.9 million, and Burlington Northern Air Freight, the 17th largest U.S. freight forwarder. Company is competing with a joint proposal by SOO LINE RR CO, Chicago Milwaukee St Paul & Pacific RR Co (ST) and CHICAGO & NORTH WESTERN TRANSPORTATION CO to acquire the 255-mile Green Bay & Western RR Co. See also CHICAGO MILWAUKEE CORP.

Joint Ventures: In 1976 Company formed a joint venture with a subsidiary of CHICAGO MILWAUKEE CORP to build a 1,500 mile crude oil pipeline. Company and CHICAGO & NORTH WESTERN TRANSPORTATION CO's joint plans to build a rail line to open up Powder River Basin coal reserves have been stalled before the ICC by a protest from the Sierra Club and a competing proposal to build a coal slurry pipeline. See also TEXAS GAS TRANSMISSION CORP.

Major Transactions: Company has an agreement with Westmoreland Resources, a major coal producer, to ship coal from Westmoreland's Montana mine. See also COASTAL STATES GAS CORP.

Legal Proceedings: Since 1974 the SEC has been investigating Company for possible violations of security laws by intentionally deferring required maintenance of its track and roadbed in order to increase earnings.

Business Lines	Percent of Operating Revenue	Percent of Income
Transportation	92.3%	62.0%
Forest Products	4.4	15.8
Oil & Natural Gas	1.2	9.4
Coal, Taconite & Other Minerals	0.3	2.3
Land & Real Estate	1.2	10.1
Other	0.6	0.4

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (2-7-75)
Common	12,438,921	1	12,438,921	58,405

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Dreyfus Corp*	403,400	3.24	403,400	–
Dreyfus Fund (403400)				
2. Lord Abbett & Co*	300,000	2.41	300,000	–
Affiliated Fd (300000)				
3. Fidelity Mngt & Research Co*	190,000	1.53	190,000	–
Everest Fd (16500)				
Contrafund (23500)				
Puritan Fd (150000)				
4. Simon, Norton Family Group	175,000	1.41	175,000	–
Hunt Food & Industries (96400)				
Norton Simon Inc (78600)				
5. Lehman Brothers Inc+	110,000	.88	110,000	–
Lehman Corp (60000)				
One William Street Fd (50000)				
6. Stephens Family Interests#	103,700	.83	103,700	–
Stephens Inc+ (91700)				
Union Life Insurance Co (12000)				
7. Equitable Life Assurance Society Of The US	100,000	.80	100,000	–
8. Connecticut General Insur Corp	89,300	.71	89,300	–
Aetna Insur Co (35000)				
Conn General Life Insur Co (54300)				
9. Minnesota State Board Of Investment	76,900	.61	76,900	–
10. USLIFE Corp<	75,000	.60	75,000	–
USLIFE Mutual Fds Mngt Corp*				
USLIFE Fds Inc (75000)				
11. Northwestern National Bk Of Minneapolis	72,197	.58	73,737	3,696
12. Transamerica Corp< (PT)	64,900	.52	64,900	–
Occidental Life Insur Co Ca (64900)				
Transamerica Insur Co (5000)				
13. Calvin Bullock Ltd*	60,000	.48	60,000	–
Carriers & General Corp (10000)				
Dividend Shares (50000)				
14. Government Employees Insur Co (25000)	49,700	.39	49,700	–
Criterion Insur Co (10000)				
Govt Employees Life Insur Co (14700)				
15. West Publishing Co (Minn)	45,000	.36	45,000	–
16. Keystone Custodian Fds Inc*	35,000	.28	35,000	–
Keystone Cust Fds Ser S-3 (35000)				
17. Royal Trust Co (Canada)	32,000E	.25	32,000E	–
Royal Trust Managed Fd A (12000)				
Royal Trust Pooled Pension (20000E)				
18. Pittsburgh National Bank	30,862	.24	30,862	–
19. Colorado National Bank Of Denver	29,988	.24	30,388	–
20. Federated Investors Inc<	25,900	.20	25,900	–
Federated Research Corp*				
Boston Foundation Fd (15900)				
Empire Fd (10000)				
21. St Paul Fire & Marine Insur Co	25,000	.20	25,000	–
22. Capital Dynamics Mngt Ltd* (Canada)	25,000	.20	25,000	–
All-Canadian Fds (25000)				
23. Gates Rubber Co< (PT)	25,000	.20	25,000	–
Financial Programs Inc*				
Financial Industrial Fd (25000)				
24. Union Investment Gesellshaft* (West Germany)	25,000E	.20	25,000E	–
Atlanticfond (25000E)				
25. First National Bk Of Minneapolis	14,634	.11	32,794	–
26. Bank Of New York	6,379	.05	6,379	52,582
27. First National City Bank	3,846	.03	17,815	70,267
28. Chase Manhattan Bk NA	2,000	.01	18,000	66,819
29. Morgan Guaranty Trust Co	–	–	63,440	82,875

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
30. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (684966)	-	-	-	684,966
31. Bankers Trust Co	-	-	-	235,814
32. Manufacturers Hanover Tr Co	-	-	-	157,306
33. Irving Trust Co	-	-	-	126,194
34. Paine Webber Jackson & Curtis Inc+	-	-	-	108,163
35. Cleveland Trust Co	-	-	-	101,299
36. Chemical Bank	-	-	-	83,391
37. Pershing & Co Inc+	-	-	-	67,688
38. Marine Midland Bank-New York	-	-	-	64,256
39. United States Trust Co	-	-	-	61,882
40. Harriman Family Group Brown Brothers Harriman & Co (59698)	-	-	-	59,698
41. Dean Witter & Co+	-	-	-	54,324
42. Hutton (E F) & Co Inc+	-	-	-	52,799
43. Loeb Rhoades & Co+	-	-	-	44,633
44. State Street Bk & Tr Co	-	-	-	35,391
TOTALS	2,195,706	17.65%	2,309,215	

TOP 5 SHAREHOLDERS VOTE 9.47% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 13.05% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 15.40% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 16.63% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 17.55% OF THE STOCK.

CANADIAN NATIONAL RY CO

935 Lagauchetiere St., Montreal, Quebec, Canada

Incorporated: Canada
Fortune Rank: –
Assets: $4,643,320
Total Debt: $1,890,829
Debt/Asset Ratio: 40.7%
Lease Commitments: $683,000 (approx.)
Number of Employees: 84,436
Operating Revenue: $1,725,985
Income: $51,937 (d)
Net Income: ($37,733)
Foreign Operating Revenue: –
Foreign Income: –
Income Tax Rate: –
Regulation: None

Principal Underwriter(s)

DT–Salomon Brothers

Legal Counsel(s)

NA

Transportation Subsidiaries

Grand Trunk Western RR Co (RR-CN)

Control

Government of Canada (100%).

Comments

Corporate Structure: Company owns Air Canada, the largest Canadian airline, whose accounts are not consolidated into Company's financial statements. Air Canada will soon be severed from its current parent and placed directly under the Ministry of Transportation.

Business Lines		Percent of Operating Revenue	Percent of Income
Railroad:	freight	70.6%	32.4%
	passenger	4.6	
	express package service	11.3	
	government subsidies	7.2	
	other	6.3	
Telecommunications		–	35.0
Hotels		–	8.5
Trucking		–	8.5
Other		–	15.6

CANADIAN PACIFIC LTD

Windsor Sta., Montreal, Quebec H3C 3E4, Canada

Incorporated: Canada
Fortune Rank: –
Assets: $5,434,527
Total Debt: $1,546,823
Debt/Asset Ratio: 28.5%
Lease Commitments: $139,920
Number of Employees: 89,000
Operating Revenue: $3,112,846
Income: NA
Net Income: $185,529
Foreign Operating Revenue: –
Foreign Income: –
Income Tax Rate: –
Regulation: SEC

Principal Underwriter(s)

DT–A.E. Ames & Co; Salomon Brothers; Wood Gundy; Dominion Securities; Nesbitt Thomson Securities

Legal Counsel(s)

Tilley, Carson & Findlay, Toronto, Canada: fees for 1974–$63
Sidley & Austin, IL: fees for 1974–NA

Transportation Subsidiaries

SOO LINE RR CO (RR-UN)

Comments

Corporate Structure: As of December 1975 Company operated the second largest railroad system in Canada, with 16,406 miles of track; a major Canadian trucking company, Canadian Pacific Transport Co Ltd; the second largest Canadian airline, CP Air; and a fleet of 25 container vessels, bulk carriers and tankers. In addition, through 85%-owned Canadian Pacific Investment Ltd, Company owns: 54% of Cominco Ltd (producer of 47% of Canada's lead and 20.7% of its zinc); together with Cominco Ltd, 100% of Fording Coal Ltd (producer of 11% of Canada's coal); 87% of PanCanadian Petroleum Ltd (Canada's largest independent oil and gas producer); through PanCanadian and Cominco: 18% of government-controlled Panarctic Oils Ltd; 50.5% of Algoma Steel Corp (Canada's third largest steel producer); 14.3% of TRANSCANADA PIPELINES LTD; 13.4% of MACMILLAN BLOEDEL LTD; 9.9% of Rio Algom Mines Ltd (major uranium producer) and 8.3% of Union Carbide Canada Ltd (a ferroalloys maker).

Corporate Control: As of December 31, 1975, 66.21% of the registered stockholders were in Canada; 16.41% in the United States; 8.60% in the United Kingdom and other British territories; 8.78% in other countries.

Major Transactions: Company has entered a long-term contract extending into the mid-1980's with a Canadian affiliate of Kaiser Industries to haul 5 million long tons of coal annually.

Business Lines	Percent of Operating Revenue	Percent of Income
Railroad	30.5%	19.3%
Airline	9.0	1.3
Trucking	4.7	(0.1)
Maritime Transportation	3.7	10.0
Mines & Minerals	27.7	69.5
Iron & Steel	8.1	
Forest Products	4.9	
Oil & Gas	4.2	
Real Estate, Hotels, Telecom. & Other	7.2	

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Ordinary	71,662,280	1	71,662,280	73,811
Sterling Pref.	173,064	1	173,064	1,815
Total Votes Outstanding			71,835,344	

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Power Corp-Investors Group Of Canada<	1,701,000	2.37	1,701,000	-
Imperial Life Assur Co Of Canada (32000)				
Investors Securities Mngt Ltd*				
Investors Growth Fd Of Canada (667250)				
Investors Mutual Of Canada (526750)				
Investors Retir Mutual Fd Of Can (200000)				
Provident Mutual Fund (33000)				
Provident Stock Fund (12000)				
Montreal Trust Co				
Montreal Trust Investment Fund (40000)				
Montreal Trust Multiple Pn Fd (175000)				
Montreal Tr Retir Savings Plan (15100)				
2. Calvin Bullock Ltd*	295,000	.41	295,000	-
Canadian Fund (60000)				
Canadian Investment Fund Ltd (235000)				
3. Manufacturers Life Insurance Co (Canada)	287,000	.39	287,000	-
4. Canada Trust Co*	285,400	.39	285,400	-
Canada Tr Pooled Pn Fd-Equity (50000)				
Canada Tr Investment Fd-Equity (70000)				
Retirement Savings Fd (165400)				
5. Royal Trust Co (Canada)	252,800	.35	252,800	-
Fulcrum Investment Co (22000)				
Royal Trust Managed Fd "C" (125000)				
Royal Tr Pld Pn Can & Foreign Fd (105800)				

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
6. Fidelity Management & Research Co* Fidelity Destiny Fund (40000) Puritan Fund (200000)	240,000	.33	240,000	-
7. Mutual Life Assurance Co Of Canada	157,000	.21	157,000	-
8. National Securities & Research Corp* National Securities Fd-Stock Fd (150000)	150,000	.20	150,000	-
9. Eaton Financial Services Ltd (Canada) Eaton Fund Management Ltd* Eaton Commonwealth Fund Ltd (131000)	131,000	.18	131,000	-
10. Societe Internationale De Placements* (Switz) Canasec (58500) Intercontinental Trust (41000) Intervalor (30000)	129,500	.18	129,500	-
11. Contintental Investment Corp< United Funds Management Corp* United Accumulative Retir Fd (25000) United Pension Fund (7000) United Venture Fund Ltd (60000) United Venture Retir Fd Ltd (20000)	112,000	.15	112,000	-
12. National Trust Co Ltd (Canada) National Tr Pooled Pension Fd (57000) National Tr Retir Savings Fd (35000) Natrusco Common Shares Fund (15000)	107,000	.14	107,000	-
13. Landmark Banking Corp Of Florida Landmark 1St Natl Bk Of Ft Laud (99300)	26,608	.03	99,300	-
14. United States Trust Co	-	-	107,493Y	-
TOTALS	3,874,308	5.39%	4,054,493	

TOP 5 SHAREHOLDERS VOTE 3.93% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 5.05% OF THE STOCK.

CAROLINA FREIGHT CARRIERS CORP

Highway 150 E., Cherryville, NC 28021

Incorporated: North Carolina
Fortune Rank: –
Assets: $60,492
Total Debt: $26,272
Debt/Asset Ratio: 43.4%
Lease Commitments: $6,668
Number of Employees: 3,700
Operating Revenue: $114,356
Income: $5,437 (a)
Net Income: $1,679
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 48.4%
Regulation: SEC, ICC

Principal Underwriter(s)

S (1972)—Bache, Halsey Stuart & Co

Legal Counsel(s)

NA

Transportation Subsidiaries

None

Business Lines	Percent of Operating Revenue	Percent of Income
Trucking	90%+	90%+

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	2,064,397	1	2,064,397	4,593

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Beam, C Grier & Family#	421,350	20.41	421,350	-
2. National City Lines Inc (PT) National City Truck Rental Co (81000)	81,000	3.92	81,000	-
3. Fraley, John L#	36,400E	1.76	36,400E	-
4. Citizens National Bank Of Gastonia-N.C. Carolina Freight Carriers Pen Pl (22900) Citizens Natl Bk Employee Retir Pl (800)	23,700	1.15	23,700	6,700
5. Cook, C R#	12,500	.60	12,500	-
6. Spangler, R Patrick & Family Interests#	11,150	.54	11,150	-
7. Doggett, L B#	10,344	.50	10,344	-
8. Foneberger, J M Jr#	4,730E	.22	4,730E	-
9. Mayhew, Kenneth E Jr#	4,710	.22	4,710	-
10. Boies, J L#	4,000	.19	4,000	-
11. Gurley, T D#	4,000	.19	4,000	-
12. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (101314)	-	-	-	101,314
13. Alex Brown & Sons+	-	-	-	22,409
14. Bache Halsey Stuart Inc+	-	-	-	15,579
15. Paine Webber Jackson & Curtis Inc+	-	-	-	11,985
16. Thomson Mckinnon Auchincloss Kohlmeyer Inc+	-	-	-	8,116
TOTALS	613,884	29.74%	613,884	

TOP 5 SHAREHOLDERS VOTE 27.85% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 29.54% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 29.74% OF THE STOCK.

CENTRAL FREIGHT LINES INC

301 S. 12th St., Waco, TX 76703

Incorporated: Texas
Fortune Rank: –
Assets: $63,407
Total Debt: $32,166
Debt/Asset Ratio: 50.7%
Lease Commitments: None
Number of Employees: 3,385
Operating Revenue: $82,493
Income: $6,842 (a)
Net Income: $2,853
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 31.9%
Regulation: SEC, ICC

Principal Underwriter(s)

NA

Legal Counsel(s)

Robinson, Felts, Starns & Nations, TX: fees for 1974–NA

Transportation Subsidiaries

None

Business Lines	Percent of Operating Revenue	Percent of Income
Trucking	90%+	90%+

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	1,389,297	1	1,389,297	852

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Callan Family & Associates#	753,080	54.21	753,080	-
2. Central Freight Lines Employees Retir Plan (Trustees-Company Officers)	141,755	10.20	141,755	-
3. Adams, Frances B	42,500	3.06	42,500	-
4. Linam, R Jr#	19,925	1.43	19,925	-

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
5. Baker, Lucille E	16,800	1.21	16,800	-
6. Eichelberger, Ethel G	15,047	1.08	15,047	-
7. Lackey, William C#	11,200	.80	11,200	-
8. Carolan, James W#	10,000	.71	10,000	-
9. Johnson, Walter H#	9,000	.64	9,000	-
10. Money, Woodrow W#	7,000	.50	7,000	-
11. Schroeder, Leland O#	6,500	.46	6,500	-
12. Taylor, Mertz A#	5,200	.37	5,200	-
13. Shaw, William C#	5,000	.35	5,000	-
14. Patterson, Harry L Jr#	3,680	.26	3,680	-
15. Broaddus, Murray F#	3,300	.23	3,300	-
16. Dooley, Marlyn#	3,075	.22	3,075	-
TOTALS	1,053,062	75.80%	1,053,062	

TOP 5 SHAREHOLDERS VOTE 70.11% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 73.87% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 75.58% OF THE STOCK.

CHEMICAL LEAMAN TANK LINES INC

520 E. Lancaster Ave., Downingtown, PA 19335

Incorporated: Delaware
Fortune Rank: –
Assets: $73,835
Total Debt: $34,526
Debt/Asset Ratio: 46.8%
Lease Commitments: NA
Number of Employees: 3,557
Operating Revenue: $116,098
Income: $9,017 (a)
Net Income: $3,140
Foreign Operating Revenue: None
Foreign Income: Insignificant
Income Tax Rate: 41.1%
Regulation: SEC, ICC

Principal Underwriter(s)

S (1965)–Butcher & Sherrerd

Legal Counsel(s)– NA

Transportation Subsidiaries –None

Comments

Corporate Structure: Beginning in February 1974 Company and International Mineral and Chemical Corp, a major Company stockholder, explored merger alternatives. Their initial Agreement and Plan of Reorganization was suspended in November 1974.

Environment: Subsequent to a charge of air pollution by the State of New Jersey Company consented to build a waste treatment facility at its terminal in Bridgeport, NJ.

Business Lines	Percent of Operating Revenue	Percent of Income
Trucking	90%+	90%+

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	1,294,523	1	1,294,523	1,517

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Niness Family Interests#	392,652E	30.33	392,652E	-
2. International Minerals & Chemicals Corp	333,333	25.75	333,333	-
3. Fernald Family Interests#	38,818E	3.00	38,818E	-
4. Ross Family Interests#	33,384E	2.58	33,384E	-
5. Transportation Equipment Corp	24,000	1.85	24,000	-
6. Greenleaf, Thomas R#	10,000E	.77	10,000E	-
7. Philadelphia National Bk	9,800	.75	9,800	-
8. Yodice, Frank J#	5,800	.44	5,800	-
9. Harlow, George H#	4,815	.37	4,815	-

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
10. Chase, Marian A#	4,415	.34	4,415	-
11. Mcdermott, Francis X#	3,500	.27	3,500	-
12. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (47123)	-	-	-	47,123
13. Kidder Peabody & Co Inc+	-	-	-	39,365
TOTALS	860,517	66.47%	860,517	

TOP 5 SHAREHOLDERS VOTE 63.51% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 66.20% OF THE STOCK.

CHESSIE SYSTEM INC

2 N. Charles St., Baltimore, MD 21202

Incorporated: Virginia
Fortune Rank: 12 T
Assets: $2,649,363
Total Debt: $799,110
Debt/Asset Ratio: 30.2%
Lease Commitments: $459,000
Number of Employees: 39,399
Operating Revenue: $1,362,211
Income: $153,645 (b)
Net Income: $95,249
Foreign Operating Revenue: Insignificant
Foreign Income: Insignificant
Income Tax Rate: 37.9%
Regulation: SEC

Principal Underwriter(s)

DT (railroad)—Bache, Halsey Stuart & Co

Legal Counsel(s)

Wheeler & Wheeler, DC: fees for 1974—NA

Transportation Subsidiaries

Baltimore & Ohio RR Co (RR-CN)
Chesapeake & Ohio Ry Co (RR-CN)

Comments

Corporate Structure: Company owns mineral rights on approximately 725,000 acres of coal lands, two thirds of which are leased to mining companies. In early 1976 Company expressed an interest in acquiring substantial trackage from the bankrupt Erie Lackawana Ry Co (ST), Penn Central Transportation Co (ST) and READING CO. The acquisitions did not materialize as Company and unions could not agree on contract terms and work rules for the transferred workers.

Business Lines		Percent of Operating Revenue	Percent of Income
Railroad:	merchandise	56.4%	NA
	coal, coke & iron ore	34.9	NA
	other freight & passenger	5.7	NA
Interest, Real Estate & Other Income		3.0	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	18,290,084	1	18,290,084	87,329

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Alleghany Corp< (PT) Investors Diversified Services Inc* Investors Mutual (517000)	517,000	2.83	517,000	-
2. Eaton, Cyrus S#	230,420E	1.26	230,420E	-
3. Dreyfus Corp* Dreyfus Fund (207400)	207,400	1.13	207,400	-
4. USLIFE Corp< USLIFE Mutual Fds Management Corp* USLIFE Funds (180000)	180,000	.98	180,000	-
5. Fidelity Management & Research Co* Puritan Fund (143600)	143,600	.78	143,600	-
6. Delaware Management Co Inc* Decatur Income Fund (139338)	139,338	.76	139,338	-
7. Ford Foundation	100,000E	.54	100,000E	-

CHESSIE SYSTEM INC

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
8. Pioneer Western Corp< Pioneering Management Corp* Pioneer Fund (98200)	98,200	.53	98,200	-
9. Gates Rubber Co< (PT) Financial Programs Inc* Financial Industrial Fund (80000)	80,000	.43	80,000	-
10. Fidelity Corp< Studley Shubert & Co Inc Of Boston* Commonwealth Fd Indenture Tr Pl C (50000) Commonwealth Fd Indent Tr Pl A&B (24000) Variable Stock Fund (4000)	78,000	.42	78,000	-
11. Washington National Corp< Anchor Corp* Anchor Income Fund (50000) Anchor Spectrum Fund (20000)	70,000	.38	70,000	-
12. Arnold Bernard & Co Inc* Value Line Income Fund (50000)	50,000	.27	50,000	-
13. Schroders Ltd< (England) Schroder Trust Co International Holdings Corp (40000)	40,000	.21	40,000	-
14. Continental Illnois National Bank & Trust Co	21,976	.12	49,376	-
15. Chase Manhattan Bank NA	8,000	.04	37,000	-
TOTALS	1,963,934	10.74%	2,020,334	

TOP 5 SHAREHOLDERS VOTE 6.99% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 9.70% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 10.74% OF THE STOCK.

CHICAGO MILWAUKEE CORP

516 W. Jackson Blvd., Chicago, IL 60606

Incorporated: Delaware
Fortune Rank: 24 T
Assets: $834,788
Total Debt: $249,626
Debt/Asset Ratio: 29.9%
Lease Commitments: $222,090
Number of Employees: 15,173
Operating Revenue: $466,174
Income: $13,752 (b)
Net Income: $11,274
Foreign Operating Revenue: None
Foreign Income: None

Income Tax Rate: 18%
Regulation: SEC

Principal Underwriter(s)

DT (railroad)—Bache, Halsey Stuart & Co

Legal Counsel(s)

Maun, Hazel, Green, Hayes, Simon & Aretz, MN: fees for 1974–$141; Gardner, Carton, Douglas, Chilgren & Waud, IL: fees for 1974–NA

Transportation Subsidiaries

Chicago Milwaukee St Paul & Pacific RR Co (RR-CN)

Comments

Corporate Structure: In July 1976 Chicago Milwaukee St Paul RR Co (ST) filed a petition with the ICC to be merged into BURLINGTON NORTHERN INC. CHIGAGO ROCK ISLAND & PACIFIC RR CO requested ICC permission to acquire one-third of Company's railroad trackage should this merger be completed.

Corporate Control: In accordance with Company's 4th Article of Incorporation the preferred stockholder voted separately as a class to elect 2 directors at Company's annual meeting May 13, 1975. The 4th Article provides for such an election in the event that dividends on preferred sotck are not paid, declared or set aside for payment on each of the preceding 3 semi-annual dividend payment dates.

Joint Ventures: See BURLINGTON NORTHERN INC.

Legal Proceedings: In July 1976 the SEC charged Company with violating numerous securities laws, including failure to disclose that Company's railroad subsidiary was being kept afloat with cash infusions generated through timber sales by another subsidiary. Company was also charged with making illegal political contributions through Company officials. Company and several of its officers and directors executed consent decrees barring them from future violations of the reporting and antifraud provisions of federal securities laws.

Business Lines		Percent of Operating Revenue	Percent of Income
Railroad:	freight	84.0%	27.7%
	passenger	2.3	(11.7)
Timber & Real Estate		1.9	71.4
Comm. Food Service Equip. & Wholesale Food		10.6	10.3
Other		1.3	2.3

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	2,451,708	1	2,451,708	7,957
$5 Prior Pfd.	477,946	1	477,946	2,389
Total Votes Outstanding			2,929,654	

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Finklestein, Jerry & Affiliates#	59,600E	2.03	59,600E	-
2. Kaplan, Laurence S & Family Interests# Kaplan (M S) Co (32900)	33,400	1.14	33,400	-
3. Paribas< (France) Fonds Commun D'Investissement (8500)	8,500	.29	8,500	-
TOTALS	101,500	3.46%	101,500	

CHICAGO & NORTH WESTERN TRANSPORTATION CO

400 W. Madison St., Chicago, IL 60606

Incorporated: Delaware
Fortune Rank: 22 T
Assets: $530,936
Total Debt: $344,911
Debt/Asset Ratio: 65.0%
Lease Commitments: $81,810
Number of Employees: 14,250
Operating Revenue: $484,901
Income: $104,295 (a)
Net Income: $14,400
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 10.1%
Regulation: SEC, ICC

Principal Underwriter(s)

DT–Salomon Brothers

Legal Counsel(s)

Borgelt, Powell, Peterson & Frauen: fees for 1974–$153; Sonnenschein, Levinson, Carlin, Nath & Rosenthal, IL: fees for 1974–$94; Stringer, Donnelly, Allen & Sharood: fees for 1974–$73; Gamble, Riepe, Burt, Webster & Fletcher: fees for 1974–$69

Transportation Subsidiaries

None

Control

Larry S. Provo# (33.33%); Richard M. Freeman# (33.33%); Robert E. Brooker# (33.33%).

Comments

Corporate Structure: In March 1970 a group of employees of the Chicago and Northwestern Railway Co (C&NW) organized the North Western Employees Transportation Corp (NETCO) to purchase the railroad properties and related motor carrier rights of C&NW. The latter was controlled by Northwest Industries, a holding company, which stated that the railroad should be financially self-sufficient and could expect no help from its parent. The purchase by NETCO was approved by the ICC in 1972, and 14,000 employees were offered the opportunity to purchase NETCO stock on a graduated scale in relation to annual salaries. During its first 10 years NETCO will be controlled by 3 trustees (see "Control"), whose trusteeship is subject to ICC review and approval. The ICC also imposed conditions to protect minority shareholders and to restrict NETCO in acquiring noncarrier properties without ICC approval. Following the purchase, NETCO changed its name to CHICAGO & NORTH WESTERN TRANSPORTATION CO. See BURLINGTON NORTHERN INC and CHICAGO ROCK ISLAND & PACIFIC RR CO.

Capital Structure: Holders of Class T Common stock (3 trustees) have the sole right to vote on election of directors and on all matters submitted to the stockholders. However, holders of Class A Common (employees) and Class T Common each vote as a class on any amendment to the Certificate of Incorporation affecting the number, par value, power or special rights of Class A Common, and on mergers and the sale or lease of Company assets.

Joint Ventures: See BURLINGTON NORTHERN INC.

Major Transactions: In December 1976 Company granted EXXON CORP exploration rights and an option on a mining lease on certain Company lands in Wisconsin.

Business Lines		Percent of Operating Revenue	Percent of Income
Railroad:	freight	89.5%	NA
	passenger	5.5	NA
	other	5.0	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Class T Common	3	1	3	3

CHICAGO ROCK ISLAND & PACIFIC RR CO

139 W. Van Buren St., Chicago, IL 60605

Incorporated: Delaware
Fortune Rank: 28 T
Assets: $423,808
Total Debt: $108,656
Debt/Asset Ratio: 25.6%
Lease Commitments: NA
Number of Employees: 14,000
Operating Revenue: $367,615
Income: $62,689 (a)
Net Income: ($23,097)
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: None
Regulation: SEC, ICC

Principal Underwriter(s)

NA

Legal Counsel(s)

Kirkland, Ellis, Hodson, Chaffetz & Masters, IL: fees for 1974–$106

Transportation Subsidiaries

None

Comments

Corporate Structure: In March 1975 Company filed for protection under Section 77 of the Federal Bankruptcy Act. Subsequently UNION PACIFIC CORP terminated its merger agreement with Company. This merger offer, and a competing offer by CHICAGO & NORTH WESTERN TRANSPORTATION CO, dated back to 1963 (see "Corporate Control"). UNION PACIFIC's merger agreement had been conditionally approved by the ICC in December 1974. Following Company's bankruptcy, Henry Crown, a major Company stock and bond holder, First National Bank of Chicago and Continental Illinois National Bank and Trust Co unsuccessfully tried to have Company liquidated. See also CHICAGO MILWAUKEE CORP, MISSISSIPPI RIVER CORP, SOUTHERN PACIFIC CORP and RIO GRANDE INDUSTRIES INC.

Changes in Corporate Control: During bankruptcy proceedings stockholders lose their power to elect directors. The court appointed W.M. Gibbons as the Trustee. In the stock profile below the First National Bank of Chicago and the Northern Trust Co served as the exchange agents for CHICAGO & NORTH WESTERN TRANSPORTATION CO and UNION PACIFIC CORP respectively in their rival attempts to take over Company. According to *Business Week* (4-4-77), the Norris Family Interests own 12% of Company's stock.

Business Lines		Percent of Operating Revenue	Percent of Income
Railroad:	freight	94.0%	NA
	passenger	1.5	NA
	other	4.5	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (7-22-74)
Common	2,921,161	1	2,921,161	3,876

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Crown, Henry Family Interests#	243,424	8.33	243,424	-
2. Norris Family Interests#	240,111	8.22	240,111	-
Nelvana Corp (177671)				
Bem & Co (28973)				
Riker, Marguerite Norris (17034)				
Norris, Bruce A (16433)				
3. International Mining Corp (183700)	208,600	7.14	208,600	-
Fresnillo Company (24900)				
4. Indian Head Inc Pension Trusts	67,200	2.30	67,200	-
5. Madison Fund Inc	50,000	1.71	50,000	-
6. Goldman Sachs & Co+	-	-	-	155,440
7. Chemical Bank	-	-	-	148,006
8. Canadian Imperial Bank Of Commerce	-	-	-	129,700
9. First National Bank Of Chicago	-	-	-	128,208
10. Paine Webber Jackson & Curtis Inc+	-	-	-	126,487
11. Merrill Lynch & Co Inc<	-	-	-	90,871
Merrill Lynch Pierce Fenner & Sm+ (90871)				
12. White Weld & Co+	-	-	-	73,083
13. Northern Trust Co	-	-	-	58,310
14. Pershing & Co Inc+	-	-	-	51,239
15. First National City Bank	-	-	-	42,070
16. Harris Upham & Co Inc+	-	-	-	39,957
17. Bankers Trust Co	-	-	-	36,000
TOTALS	809,335	27.71%	809,335	

TOP 5 SHAREHOLDERS VOTE 27.71% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 27.71% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 27.71% OF THE STOCK.

CHROMALLOY AMERICAN CORP

641 Lexington Ave., New York, NY 10022

Incorporated: Delaware
Fortune Rank: 244
Assets: $549,854
Total Debt: $239,140
Debt/Asset Ratio: 43.5%
Lease Commitments: $67,666
Number of Employees: 23,000 (approx.)
Operating Revenue: $786,680
Income: $67,000 (b)
Net Income: $26,041
Foreign Operating Revenue: See Comments
Foreign Income: See Comments
Income Tax Rate: 44.2%
Regulation: SEC

Principal Underwriter(s)

DT–Drexel, Burnham & Co

Legal Counsel(s)

Whitman & Ransom (Gen. Couns.), NY: fees for 1974–$80

Transportation Subsidiaries

Chromalloy Transport Marine Co (WC-CN)

Comments

Corporate Structure: Company subsidiary, American Transit Corp, is primarily engaged in motor bus transportation management and operation. It provides municipal bus service in 15 cities located in 11 states, and also operates sightseeing, suburban, intercity, airport and school bus systems. Company's inland waterways barge operations are conducted through Valley Line Co. In 1975 Company wrote off as a loss a gold mine development in Angola, Africa. While Company has increased its foreign operations in recent years, they contributed less than 10% of sales and operating revenues in 1975.

Major Transactions: Company is engaged in gas turbine engine repair and coating activities, in which its largest customers are the U.S. Air Force and major U.S. and foreign commercial airlines. In 1975 the Federal Renegotiation Board determined that Company made excessive profits of $4.5 million between 1966-68 on its engine repair and coating contracts with the government. Company has appealed the decision. Company's eight ocean-going tankers are all operated under long-term contracts with major oil companies. In December 1975 Company entered into a management contract to begin operating a HOLIDAY INN hotel in Puerto Rico.

Legal Proceedings: In October 1976 Company announced that the SEC was investigating Company's open-market purchases of its own stock.

Business Lines	Percent of Operating Revenue	Percent of Income
Castings, Iron, Aluminum & Metal Prod.	21.2%	35.3%
Maritime & Barge Transp., Bus Lines, Other	14.2	23.8
Farm & Industrial Equipment	13.1	16.7
Equip. & Serv. to Nat. Resources Ind.	9.9	13.3
Textiles & Apparel	13.3	4.6
Building Products	8.2	3.9
Consumer Products & Services	15.8	3.2
Pharmaceutical Products	3.7	1.8
Venture Investments	0.6	(2.6)

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	10,066,081	1	10,066,081	17,519
$5 CU CV Pfd.	561,164	1	561,164	2,544
Total Votes Outstanding			10,627,245	

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Newman, E H#	291,141F	2.74	291,141F	-
2. Glidden, Dean E & Robert L	215,276H	2.03	215,276H	-
3. Fischel, Murray#	198,841F	1.87	198,841F	-
4. Giacoma Family# Giacoma, Dominick J & Family (112855F) Giacoma, Peter J & Family (83743F)	196,598F	1.85	196,598F	-
5. Rhea, D W#	184,871F	1.74	184,871F	-
6. Friedman, Joseph & Family#	183,393F	1.73	183,393F	-
7. Demayo, A J#	91,127F	.85	91,127F	-
8. Shepard, Irving A#	73,211F	.68	73,211F	-
9. Bankers Life Insurance Co Of Nebraska	71,966	.67	71,966	-
10. American National Financial Corp< American National Insurance Co (68000)	68,000	.63	68,000	-
11. Henning, Malcolm E & Family#	61,985F	.58	61,985F	-
12. Traurig, Sidney#	61,413F	.57	61,413F	-
13. Nykiel, Frank P & Family#	48,505F	.45	48,505F	-
14. Nationwide Corp< Nationwide Life Insurance Co (46570)	46,570	.43	46,570	-
15. Mercantile Trust Co NA (St Louis)	44,508	.41	141,699	-
16. Integon Corp< Integon General Insurance Corp (4500) Integon Indemnity Corp (4000) Integon Life Insurance Corp (15800) Integon Investment Management Corp* Integon Growth Fd Corp (18400)	42,700	.40	42,700	-

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS Voting Power Number of Votes	 Percent Total Votes	 Total Managed Holdings	ADDITIONAL HOLDINGS Management Powers Not Identified
17. American Family Group< American Family Life Insurance Co (5000) American Family Mutual Insur Co (30000) American Standard Insur Co Of Wi (7000)	42,000	.39	42,000	-
18. Barta, Wesley J#	37,760F	.35	37,760F	-
19. Bank Of America NTSA	36,645	.34	36,645	-
20. Seelig, Richard P#	22,395F	.21	22,395F	-
21. Republic National Bank Of Dallas	19,082	.17	19,082	-
22. First Pennsylvania Bank NA	5,875	.05	26,368	-
23. Wachovia Bank & Trust Co NA	-	-	46,700	-
TOTALS	2,043,862	19.23%	2,208,246	

TOP 5 SHAREHOLDERS VOTE 10.23% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 14.81% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 17.29% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 19.00% OF THE STOCK.

CITIES SERVICE CO

110 W. Seventh St., Tulsa, OK 74102

Incorporated: Delaware
Fortune Rank: 60
Assets: $2,897,900
Total Debt: $613,200
Debt/Asset Ratio: 21.2%
Lease Commitments: $207,900
Number of Employees: 17,400
Operating Revenue: $2,806,300
Income: $344,200 (a)
Net Income: $203,800
Foreign Operating Revenue: 2.7%
Foreign Income: (5.6%)
Income Tax Rate: 26.7%
Regulation: SEC

Principal Underwriter(s)

DT–First Boston Corp; Kuhn, Loeb & Co

Legal Counsel(s)

Frueauff, Farrell, Sullivan & Bryan, NY: fees for 1973–NA;
Cleary, Gottlieb, Steen & Hamilton, NY: fees for 1975–NA;
Cummings & Lockwood, CT: fees for 1975–NA

Transportation Subsidiaries

Cities Service Gas Co (PG-CN)

Comments

Corporate Structure: In 1974 Company initiated an unsuccessful attempt to acquire Peabody Coal Co, a subsidiary of Kennecott Copper Corp. Company's other transportation operations include a fleet of 14 oil tankers with a total deadweight tonnage of 720,000. In 1974 these operations were restructured into a 50-50 joint venture with an unidentified company. Company also owns or leases 2,650 railroad tank cars, hopper cars and gondola cars.

Joint Ventures: In December 1976 the Dept. of Transportation authorized Company and 3 other oil and pipeline companies, including GULF OIL CORP, MOBIL OIL CORP, Shell Oil Co, Dow Chemical Co, and subsidiaries of CONTINENTAL OIL CO, EXXON CORP, PHILLIPS PETROLEUM CO and Crown Central Petroleum Corp, to jointly construct and operate an $865 million deepwater tanker unloading facility, Seadock Inc, off the coast of Texas. Beginning in 1973 Company joined with NORTHERN NATURAL GAS CO to develop plans for 4 coal gassification plants in Wyoming and Montana. Companies have an option to acquire 1 billion tons of coal from Peabody Coal Co, sufficient for 30 years of operations. In February 1975 Company reduced its interest in the Syncrude Project from 30 to 22%. Syncrude is a $2 billion joint venture project due for completion in 1979 which is designed to recover synthetic crude oil from the Athabasca Tar Sands in Alberta, Canada.

Major Transactions: Cities Service Gas Co (ST) has 2 long-term purchase contracts with Transwestern Pipeline Co (ST) for 1.3 trillion cubic feet of gas, and one long-term contract with ARKANSAS LOUISIANA GAS CO for 0.5 trillion cubic feet of gas.

Legal Proceedings: Company is a co-defendant in antitrust actions brought by the States of Kansas and Connecticut.

Environment: Company is the subject of 2 judicial proceedings and 16 notices charging it with air and water pollution.

Payments Disclosure: Company has disclosed that it made over $1 million in questionable foreign payments between 1971-75.

Business Lines	Percent of Operating Revenue	Percent of Income
North American Petroleum	74.9%	90.1%
Natural Gas Transmission	7.2	9.7
North American Petrochemicals	9.7	6.3
North American Chemicals & Metals	4.9	(6.3)
Foreign Operations	2.7	(5.6)
Other	0.6	5.8

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	26,866,027	1	26,866,027	122,944

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Manufactures Hanover Trust Co	1,788,144	6.66	1,788,144	-
Cities Service Emp Thrift Plan/7700 Participants (1788144)				
2. Capital Research & Management Co*	617,700	2.30	617,700	-
Investment Company Of America (525000)				
Washington Mutual Investors Fd (92700)				
3. Michel Family Interests#	519,591E	1.93	519,591E	-
Wenonah Development Co (515000E)				
Michel, Clifford W (4591E)				
4. Dreyfus Corp*	335,615	1.25	335,615	-
Dreyfus Fund (335615)				
5. Bam, Foster & Family#	243,426E	.90	243,426E	-
6. City Investing Co<	217,742	.81	217,742	-
Home Indemnity Co (11742)				
Home Insurance Co (206000)				
7. Fidelity Management & Research Co*	210,000	.78	210,000	-
Puritan Fund (210000)				
8. State Farm Mutual Automobile Insur< (138450)	186,860	.69	186,860	-
State Farm Fire & Casualty Co (48410)				
9. Continental Investment Corp<	128,750	.47	128,750	-
Waddell & Reed Inc*				
United Accumulative Fund (128750)				
10. Robeco* (Netherlands)	125,000	.46	125,000	-
11. Kemper Family Group	121,360	.45	121,360	-
American Manufacturers Mutual Insur (1420)				
American Motorists Insur Co (8240)				
Lumbermans Mutual Casualty Co (41700)				
Supervised Investors Services Inc*				
Technology Fund (70000)				
12. Bankers Trust Co	107,461	.39	259,000	-
13. Continental Corp<	103,906	.38	103,906	-
Buckeye Union Insurance Co (35638)				
National-Ben Franklin Insur Co Of Il (4145)				
Pacific Insurance Co (64123)				
14. Gates Rubber Co< (PT)	103,842	.38	103,842	-
Financial Programs Inc*				
Financial Industrial Fund (81182)				
Financial Industrial Income Fd (22660)				
15. Elfun Trusts	100,000	.37	100,000	-
16. Control Data Corp<	91,670	.34	91,670	-
American Credit Indemnity Co Of NY (26780)				
American Health & Life Insurance Co (38110)				
Calvert Fire Insurance Co (11433)				
Cavalier Insurance Corp (15347)				
17. Washington National Corp<	85,000	.31	85,000	-
Anchor Corp*				
Fundamental Investors (85000)				
18. Metropolitan Life Insurance Co	77,528	.28	77,528	-
19. Landmark Banking Corp Of Florida	70,549	.26	105,913	-
Landmark 1St Natl Bk Of Ft Laud (105913)				
20. Chase Manhattan Bank NA	68,000	.25	135,000	-
21. Axe (E W) & Co Inc*	56,650	.21	56,650	-
Axe-Houghton Fund A (10300)				
Axe-Houghton Fund B (46350)				
22. Allendale Group<	55,000	.20	55,000	-
Allendale Mutual Insurance Co (50000)				
Appalachian Insur Co Of Providence (5000)				
23. Bank Of America NTSA	54,431	.20	57,291	-
24. American General Insurance Co<	52,942	.19	52,942	-
American General Capital Mngt Inc*				
Harbor Fund* (52942)				
25. Neuberger & Berman+	50,000	.18	50,000	-
Cedar Street Consultants Inc*				
Energy Fund (50000)				
26. Adams Express Co	50,000	.18	50,000	-
Petroleum Corp Of America (50000)				
27. Morgan Guaranty Trust Co	22,369	.08	57,659	-
28. United States Trust Co	14,517X	.05	105,049X	-
29. Continental Illinois National Bk & Tr Co	9,879	.03	64,931	-
TOTALS	5,667,935	21.10%	6,105,569	

CITIES SERVICE CO

TOP 5 SHAREHOLDERS VOTE 13.04% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 16.28% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 18.27% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 19.74% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 20.74% OF THE STOCK.

CLC OF AMERICA INC

69 W. Washington St., Chicago, IL 60602

Incorporated: Delaware
Fortune Rank: –
Assets: $149,389
Total Debt: $18,269
Debt/Asset Ratio: 12.2%
Lease Commitments: $5,695
Number of Employees: 1,600
Operating Revenue: $114,984
Income: $11,285 (b)
Net Income: $6,215
Foreign Operating Revenue: Insignificant
Foreign Income: Insignificant
Income Tax Rate: 41%
Regulation: SEC

Principal Underwriter(s)

S (1969)–Predecessors to duPont Glore Forgan

Legal Counsel(s)

Reeder, Griffin, Dysart, Taylor & Penner (Gen. Couns.), MO: fees for 1974–NA

Transportation Subsidiaries

Wisconsin Barge Line Inc (WC-CN)

Comments

Corporate Structure: Company owns one of the nation's largest interstate trucking companies for the transportation of mobile homes, modular structures and recreational vehicles. In November 1976 Company received several tentative proposals to acquire its inland waterways transportation operations.

Major Transactions: In 1976, 9 customers accounted for 77% of Wisconsin Barge Lines' (ST) freight revenues.

Legal Proceedings: Company is a defendant in several antitrust suits including 2 filed by a competitor in 1975 and 1976 against Company's mobile home transportation subsidiary, and 1 class action suit brought in 1975 against the major U.S. car rental companies, including a Company subsidiary which is a franchisee for National Car Rental Inc in southern California.

Business Lines	Percent of Operating Revenue	Percent of Income
Trucking	32.2%	59.8%
River Transportation	30.3	19.8
Vehicle Leasing	17.9	15.1
Construction Machinery Distribution	19.6	5.2

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (3-24-75)
Common	3,773,441	1	3,773,441	5,458
$50 Pfd. Ser. B,C,D,E	10,133	1	10,133	35
Total Votes Outstanding			3,783,574	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Morgan Guaranty Trust Co	170,000	4.49	170,000	-
2. Miller, Ralph H#	152,180E	4.02	152,180E	-
3. Wood Struthers & Winthrop Inc+	150,000	3.96	150,000	-
Wood Struthers & Winthrop Mngt Corp*				
De Vegh Mutual Fund Inc (15000)				
4. Eckstein, Raymond A#	140,165F	3.70	140,165F	-
5. Hankey, Tad#	81,084E	2.14	81,084E	-
6. Snyder, James E#	54,295E	1.44	54,295E	-
7. Reeder, Lee & family#	30,307E	.80	30,307E	-
8. Shaughnessy, C L#	25,777E	.68	25,777E	-
9. Tranchita, Vincent R	14,691F	.38	14,691F	-
TOTALS	818,499	21.63%	818,499	

TOP 5 SHAREHOLDERS VOTE 18.33% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 21.63% OF THE STOCK.

CLIPPER EXXPRESS CO

3401 W. Pershing Rd., Chicago, IL 60632

Incorporated: Delaware
Fortune Rank: –
Assets: $8,251
Total Debt: $1,384
Debt/Asset Ratio: 16.8%
Lease Commitments: NA
Number of Employees: 200 (approx.)
Operating Revenue: $41,212
Income: $3,313 (b)
Net Income: $3,232
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 2.5%
Regulation: ICC

Principal Underwriter(s)

None

Legal Counsel(s)

NA

Transportation Subsidiaries

None

Control

Jerry Chambers & Family Interests# (72.33%); Merle Bay (17.58%); Homer Rankin (5.25%); Estate of Laura Palmer (2.50%).

Business Lines	Percent of Operating Revenue	Percent of Income
Freight Forwarding	99.2%	NA
Storage, Rent & Other	0.8	NA

Stock Structure (Private)

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record
Common	6,000	1	6,000	NA

COASTAL STATES GAS CORP

5 Greenway Plaza E., Houston, TX 77046

Incorporated: Delaware
Fortune Rank: 154
Assets: $1,696,943
Total Debt: $679,175
Debt/Asset Ratio: 40%
Lease Commitments: $613,013
Number of Employees: 4,399
Operating Revenue: $1,315,265
Income: NA
Net Income: $55,126
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 30%
Regulation: SEC

Principal Underwriter(s)

DT (1971)–First Boston Corp; Kuhn, Loeb & Co; Paine, Webber

Legal Counsel(s)

Fulbright & Jaworski (Gen. Couns.), TX: fees for 1974–NA
Shea, Gould, Climenko & Kramer, NY: fees for 1974–NA

Transportation Subsidiaries

Colorado Interstate Corp (PG-CN)

Comments

Corporate Structure: On January 1, 1976, Colorado Interstate Corp (ST) changed its name to Colorado Interstate Cas Co. Company also owns a 70,000 ton oil tanker and has on order 2 oil tankers aggregating more than 600,000 deadweight tons (see MARITIME FRUIT CARRIERS CO LTD). Company has a 16% interest in General Signal Corp.

Major Transactions: In 1975, 18 companies accounted for 68% of Company's gas purchases (see NORTHWEST ENERGY CO) and 16 companies accounted for 83% of its operating revenues from gas sales, including Public Service Co of Colorado, which alone accounted for 58% (see also PEOPLES GAS CO and LONE STAR GAS CO). Company has a 4-year agreement with BURLINGTON NORTHERN INC which gives Company and its partner, a U.S. subsidiary of the French company Societe Nationale des Petroles d'Aquitaine, oil and gas exploration rights on the railroad's land in 6 states. In 1975 Company was the 87th largest defense contractor with over $49 million in revenues from military contracts.

Legal Proceedings: In July 1976 Company reached a tentative settlement on a 3-year rate dispute with several major customers of its Lo-Vaca Gathering Co subsidiary involving claims of more than $1.4 billion. The centerpiece of the proposed settlement calls for the spin-off of Lo-Vaca to Company's shareholders. Lo-Vaca supplies gas to 400 large customers in Texas, including the cities of San Antonio and Austin.

Payments Disclosure: Company is currently investigating the possibility that it made questionable foreign payments.

Business Lines	Percent of Operating Revenue	Percent of Income
Natural Gas Systems	43%	31%
Refined Products, Crude Oil, Chemicals	52	50
Natural Gas & Oil Production	5	19

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	18,636,479	1	18,636,479	19,686
CU CV Pfd.				
$1.19 Ser. A	670,412	1	670,412	4,435
$1.83 Ser. B	2,016,708	1	2,016,708	9,159
$5.00 Ser. C	100,000	1	100,000	18
Total Votes Outstanding			21,423,599	

COASTAL STATES GAS CORP

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Wyatt, O S Jr & Family#	2,249,737E	10.50	2,249,737E	-
2. Continental Illinois Natl Bk & Trust Co Coastal States Gas Corp Thrift Pl/2205 Participants (794204E)	794,204E	3.71	886,921E	-
3. Wellington Management Co* Windsor Fund (600000)	600,000	2.80	600,000	-
4. Sears Roebuck & Co< Allstate Insurance Co (510740)	510,740	2.38	510,740	-
5. Princeton University	257,736F	1.20	257,736F	-
6. Northwestern National Bank Of Minneapolis	89,563	.41	110,955	-
7. Atlantic American Corp< Georgia Casualty & Surety Co (88400)	88,400	.41	88,400	-
8. Swarthmore College	79,200F	.36	79,200F	-
9. Neuberger & Berman+ Cedar Street Consultants Inc* Guardian Mutual Fd (40000)	40,000	.18	40,000	-
10. Atlantic National Bank Of Jacksonville	30,000	.14	465,000	-
11. United States Trust Co	-	-	471,502X	-
TOTALS	4,739,580	22.12%	5,760,191	

TOP 5 SHAREHOLDERS VOTE 20.60% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 22.12% OF THE STOCK.

COLONIAL PIPELINE CO

3390 Peachtree Rd. N.E., Atlanta, GA 30326

Incorporated: Delaware
Fortune Rank: –
Assets: $463,550
Total Debt: $385,870
Debt/Asset Ratio: 83.2%
Lease Commitments: None
Number of Employees: 595 (approx.)
Operating Revenue: $155,230
Income: $72,793 (a)
Net Income: $26,914
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 44.2%
Regulation: ICC

Principal Underwriter(s)

DT–Morgan Stanley & Co

Legal Counsel(s)

NA

Transportation Subsidiaries

None

Control

GULF OIL CORP† (16.78%); STANDARD OIL CO (IND)† (14.32%); TEXACO INC (14.27%); CITIES SERVICE CO (13.98%); MOBIL OIL CORP† (11.49%); British Petroleum Co Ltd.† (8.96%); CONTINENTAL OIL CO† (7.55%); PHILLIPS PETROLEUM CO† (7.10%); Union Oil Co of Cal. (3.97%); ATLANTIC RICHFIELD CO (1.58%).

Business Lines	Percent of Operating Revenue	Percent of Income
Oil Pipeline	100%	100%

Stock Structure (Private)

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	36,000	1	36,000	10

COLUMBIA GAS SYSTEM INC

20 Montchanin Rd., Wilmington, DE 19807

Incorporated: Delaware
Fortune Rank: 18 U
Assets: $2,838,138
Total Debt: $1,410,021
Debt/Asset Ratio: 49.7%
Lease Commitments: $57,900
Number of Employees: 11,068
Operating Revenue: $1,278,603
Income: $182,237 (a)
Net Income: $110,314
Foreign Operating Revenue: Insignificant
Foreign Income: Insignificant
Income Tax Rate: 43.4%
Regulation: SEC

Principal Underwriter(s)

S (1972)—Merrill Lynch

Legal Counsel(s)

NA

Transportation Subsidiaries

Columbia Gas Transmission Corp (PG-CN)
Columbia Gulf Transmission Co (PG-CN)

Comments

Capital Structure: In June 1975 Company issued 1 million shares of cumulative preferred stock through a syndicate headed by Morgan Stanley & Co.

Joint Ventures: Company is engaged in two joint ventures with EXXON CORP including one to develop gas resources in the Appalachia area, and another, begun in 1974, to exploit coal reserves in West Virginia and Illinois and to explore the possibility of a coal gassification project. Company is part of a federally-funded project which is building a $216 million coal gassification demonstration plant. See also EL PASO CO and NORTHERN NATURAL GAS CO.

Major Transactions: In August 1976 the FPC bailed out an unsuccessful $100-million Company drilling venture in the Gulf of Mexico by authorizing a selling price above the normal wellhead rate. For major suppliers and buyers of Company see TENNECO INC, TEXAS EASTERN TRANSMISSION CORP, PANHANDLE EASTERN PIPE LINE CO, TEXAS GAS TRANSMISSION CORP, TRANSCO COMPANIES INC, NATIONAL FUEL GAS CO and WASHINGTON GAS LIGHT CO.

Business Lines		Percent of Operating Revenue	Percent of Income
Natural Gas:	residential & commercial	38.9%	NA
	industrial	22.5	NA
	wholesale	36.3	NA
Other		2.2	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	32,430,612	1	32,430,612	168,180

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Columbia Gas System Employees' Thrift Plan (7177 Participants)	1,541,967	4.75	1,541,967	-
2. Prudential Insurance Company Of Am< (885000) Prudential Fund Management Canada Ltd* Prudential'S Gibraltar Fd (50000)	935,000	2.88	935,000	-
3. State Farm Mutual Auto Insur Co< (245000) State Farm Fire & Casualty Co (86200; State Farm Life Insurance Co (45000) State Farm Investment Management Corp* State Farm Income Fd (8500)	384,700	1.19	384,700	-
4. International Telephone & Telegraph Corp< Hartford Accident & Indemnity Co (220000) Hartford Fire Insurance Co (102600)	322,600	.99	322,600	-
5. City Investing Co< Home Indemnity Co (20000) Home Insurance Co (173600) Seaboard Surety Co (45000)	238,600	.73	238,600	-
6. Wells Fargo Bank NA	193,052	.59	196,792	-
7. New York City Teachers' Retirement System	147,594	.45	147,594	-
8. Calvin Bullock Ltd* Bullock Fund (50000) Dividend Shares (75000) Nation-Wide Securities Co (14500)	139,500	.43	139,500	-
9. USLIFE Corp< USLIFE Mutual Funds Management Corp* USLIFE Funds (125000)	125,000	.38	125,000	-
10. Princeton University	123,500F	.38	123,500F	-
11. Madison Fund Inc	120,000	.37	120,000	-
12. Equitable Trust Co Baltimore Employees Retir Fds (114500)	114,500	.35	114,500	-

COLUMBIA GAS SYSTEM INC

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
13. Schroders Ltd< (England) Schroder Trust Co International Holdings Corp (100000)	100,000	.30	100,000	-
14. National Securities & Research Corp* National Securities Fd-Stock Fd (100000)	100,000	.30	100,000	-
15. Delaware Management Co Inc* Decatur Income Fund (90400)	90,400	.27	90,400	-
16. Capital Research & Management Co* American Mutual Fund (70000) Income Fund Of America (16000)	86,000	.26	86,000	-
17. Government Employees Insurance Co (60000) Criterion Insurance Co (13000)	73,000	.22	73,000	-
18. INA Corp< Insurance Company Of North America (70000)	70,000	.21	70,000	-
19. Travelers Corp< Travelers Indemnity Co (70000)	70,000	.21	70,000	-
20. Midatlantic National Bank/Citizens	58,416	.18	83,406	-
21. Security Pacific National Bank	36,484	.11	63,120	-
22. Chase Manhattan Bank NA	4,000	.01	90,000	-
23. United States Trust Co	2,700X	-	242,248X	-
24. Southern California First National Bank	-	-	118,710	-
TOTALS	5,077,013	15.66%	5,576,637	

TOP 5 SHAREHOLDERS VOTE 10.55% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 12.80% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 14.42% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 15.52% OF THE STOCK.

CONSOLIDATED FREIGHTWAYS INC

601 California St., San Francisco, CA 94108

Incorporated: Delaware
Fortune Rank: 17 T
Assets: $346,403
Total Debt: $71,141
Debt/Asset Ratio: 20.5%
Lease Commitments: $14,683
Number of Employees: 17,442
Operating Revenue: $798,579
Income: $51,965 (a)
Net Income: $26,914
Foreign Operating Revenue: 3.2%
Foreign Income: NA
Income Tax Rate: 39.1%
Regulation: SEC, ICC

Principal Underwriter(s)

DT (1971)–White, Weld & Co

Legal Counsel(s)

NA

Transportation Subsidiaries

None

Comments

Corporate Structure: The 1973 proposed sale of Company's CF Tank Lines Inc subsidiary to RLC CORP is still pending ICC approval.

Business Lines	Percent of Operating Revenue	Percent of Income
Trucking	57.5%	75.8%
Truck Manufacturing	40.4	24.5
Air Freight Forwarding	2.1	(0.3)

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	11,938,187	1	11,938,187	9,966

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Morgan Guaranty Trust Co Mutual Investment Fund Of Conn (51700E)	835,673E	7.00	1,963,850E	70,900E
2. National City Bank Of Cleveland	415,080	3.48	510,580	-

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
3. Massachusetts Financial Services Inc*	401,100	3.36	401,100	-
Massachusetts Financial Devel Fd (101100)				
Massachusetts Income Devel Fd (100000)				
Massachusetts Investors Gwth Stk (200000)				
4. New York State Common Retirement Fund	397,400	3.33	397,400	-
5. Aetna Life & Casualty Co (315400)	392,600	3.29	392,600	-
Aetna Life Insurance Co (55000)				
Aetna Investment Management Inc*				
Aetna Fund (22200)				
6. Northwestern Mutual Life Insurance Co	325,000	2.72	325,000	-
7. Mercantile Trust Co NA	321,135	2.69	323,635	-
8. Seligman (J & W) & Co+	285,000	2.39	285,000	-
Union Service Corp*				
Broad Street Investment (110000)				
Tri-Continental Corp (175000)				
9. Dance, Raymond L	252,296E	2.11	252,296E	-
10. Ohio State Teachers Retirement System	250,000	2.09	250,000	-
11. Bethlehem Steel Corp Pension Plan	224,900	1.88	224,900	-
12. Chase Manhattan Bank NA	207,000	1.73	281,000	-
13. Wellington Management Co*	205,000	1.72	205,000	-
Exeter Fund (55000)				
Windsor Fund (150000)				
14. SAFECO Corp<	200,000	1.68	200,000	-
General Insurance Co Of America (200000)				
15. Mellon Bank NA	195,600	1.64	195,600	-
16. First National Bank Of Birmingham	111,000	.92	112,000	-
17. Security Benefit Life Insurance Co<	100,000	.83	100,000	-
Security Management Co Inc*				
Security Equity Fund (100000)				
18. Minnesota Mutual Life Insurance Co	92,200	.77	92,200	-
19. International Telephone & Telegraph Corp<	90,000	.75	90,000	-
Hamilton Management Corp*				
Hamilton Growth Fund (40000)				
Hamilton Income Fund (50000)				
20. Bank Of America NTSA	80,540	.67	81,940	-
21. AGF Management Ltd* (Canada)	80,000	.67	80,000	-
American Growth Fund Ltd (80000)				
22. Ford Family Group	75,000	.62	75,000	-
American Road Insurance Co (75000)				
23. Starr (C V)-American International Group<	74,000	.61	74,000	-
American Home Assurance Co (30000)				
New Hampshire Insurance Co (44000)				
24. Phillips Hager & North Ltd* (Canada)	59,000	.49	59,000	-
NW Equity Fd Ltd (2000)				
NW Growth Fund Ltd (32000)				
Phillips Hager & North Fund (25000)				
25. Capital Research & Management Co*	56,500	.47	56,500	-
American Balanced Fund (34000)				
Stock Fund Of America (22500)				
26. Western Bancorporation<	52,224	.43	52,224	-
First National Bank Of Oregon (52224)				
27. Harris Trust & Savings Bank	46,650	.39	46,650	-
28. First National Bank Of Atlanta	45,262	.37	60,372	-
29. American Family Corp<	36,000	.30	36,000	-
American Family Mutual Insurance Co (30000)				
American Standard Insur Co Of Wi (6000)				
30. Republic National Bank Of Dallas	35,200	.29	35,200	-
31. N.M.L. Equity Services Inc*	35,000	.29	35,000	-
N.M.L. Fund (35000)				
32. Boatman'S National Bank Of St Louis	34,000	.28	35,000	-
33. O'Brian, Raymond F & Family#	33,700	.28	33,700	-
34. Lutheran Brotherhood (Insurance)	32,500	.27	32,500	-
35. Self, Kenneth W & Family#	31,350	.26	31,350	-
36. National Securities & Research Corp*	30,000	.25	30,000	-
Fairmont Advisory Service Inc*				
Fairfield Fund (30000)				
37. White, William G & Family#	26,600	.22	26,600	-
38. Pemberton Securities Ltd* (Canada)	26,000	.21	26,000	-
Pacific Funds (16000)				
Pacific US Fund (10000)				
39. Northwestern National Life Insurance Co	23,300	.19	23,300	-

CONSOLIDATED FREIGHTWAYS INC

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
40. Seattle-First National Bank	21,400	.17	221,400	-
41. United States Trust Co	1,200X	.01	267,100X	-
42. First National City Bank	-	-	20,000	147,400
43. Bankers Trust Co	-	-	-	360,000
44. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (156200)	-	-	-	156,200
45. State Street Bank & Trust	-	-	-	150,000
TOTALS	6,236,410	52.24%	8,040,997	

TOP 5 SHAREHOLDERS VOTE 20.45% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 32.46% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 41.11% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 45.08% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 47.96% OF THE STOCK.

CONSOLIDATED NATURAL GAS CO

4 Gateway Ctr., Pittsburgh, PA 15222

Incorporated: Delaware
Fortune Rank: 40 U
Assets: $1,635,751
Total Debt: $644,690
Debt/Asset Ratio: 39.4%
Lease Commitments: None
Number of Employees: 7,8[illegible]5
Operating Revenue: $861,182
Income: $99,424 (a)
Net Income: $63,029
Foreign Operating Revenue: Insignificant
Foreign Income: Insignificant
Income Tax Rate: 35.6%
Regulation: SEC

Principal Underwriter(s)

DT–Salomon Brothers

Legal Counsel(s)

Jones, Day, Reavis & Pogue, OH: fees for 1974–$366

Transportation Subsidiaries

Consolidated Gas Supply Corp (PG-CN)

Comments

Corporate Structure: In 1975 Company raised its recoverable coal reserves to 500 million tons through the purchase of 150 million tons of seam coal reserves from a subsidiary of Penn Central Transportation Co (ST).

Joint Ventures: Company is part of a federally-funded project chosen by the Energy Research and Development Administration in June 1976 to build a $2[illegible]0 million coal gassification demonstration plant. Company is a member of COGAS Development Co, a joint venture formed in May 1974 by Company, Tennessee Gas Pipeline Co (ST), PANHANDLE EASTERN PIPELINE CO, FMC Corp, Republic Steel Corp and a subsidiary of UNION PACIFIC CORP to develop a coal gassification pilot plant in England. See also EL PASO CO and NATIONAL FUEL GAS CO.

Major Transactions: In 1974 Company purchased 26% of its supply of gas from Tennesse Gas Pipeline Co (ST), 25% from TEXAS EASTERN TRANSMISSION CORP, 13% from TEXAS GAS TRANSMISSION CORP and 8% from PANHANDLE EASTERN PIPE LINE CO. Company is also a major supplier for NATIONAL FUEL GAS CO.

Business Lines		Percent of Operating Revenue	Percent of Income
Natural Gas:	residential & commercial	50.1%	NA
	industrial	23.7	NA
	wholesale	21.4	NA
Other		4.8	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-31-75)
Common	18,919,362	1	18,919,362	79,000

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Consolidated Natural Gas Co Thrift Plans (7000 Participants)	1,975,668F	10.44	1,975,668F	-
2. Pittsburgh National Bank	233,747	1.24	233,747	-

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
3. Continental Corp< Firemen'S Insurance Co Of Newark (152640)	152,640	.80	152,640	-
4. General Accident Fire & Life-England (23000) Camden Fire Insurance Association (20000) Pennsylvania General Insurance Co (24000) Potomac Insurance Co (31000)	98,000	.51	98,000	-
5. Lincoln National Corp< Lincoln National Life Insurance Co (81000) Lincoln National Investment Mngt Co* Lincoln National Income Fund (4100)	85,100	.44	85,100	-
6. Zurich Insurance Co (Switzerland)	54,800	.28	54,800	-
7. First National Bank Of Toledo	50,148	.26	50,148	-
8. Rockefeller Family Interests Rockefeller University (50000)	50,000	.26	50,000	-
9. National City Bank Of Cleveland	39,188	.20	47,339	-
10. Chase Manhattan Bank NA	39,000	.20	81,000	-
11. National Commercial Bank & Trust Co (Albany)	34,137	.18	34,437	-
12. United States Trust Co	5,570X	.02	30,303X	-
13. Safra Family Group Republic National Bank Of New York (34952F)	-	-	34,952F	-
14. Cleveland Trust Co	-	-	-	226,900
15. Swiss Bank Corp	-	-	-	212,365
TOTALS	2,817,998	14.89%	2,928,134	

TOP 5 SHAREHOLDERS VOTE 13.45% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 14.68% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 14.89% OF THE STOCK.

CONTINENTAL AIR LINES INC

Los Angeles International Airport, Los Angeles, CA 90009

Incorporated: Nevada
Fortune Rank: 25 T
Assets: $711,401
Total Debt: $407,536
Debt/Asset Ratio: 57.3%
Lease Commitments: $135,075
Number of Employees: 9,008
Operating Revenue: $457,274
Income: $48,746 (a)
Net Income: $8,112
Foreign Operating Revenue: NA
Foreign Income: NA
Income Tax Rate: 27.7%
Regulation: SEC, CAB

Principal Underwriter(s)

S & DT (1972)—Lehman Brothers

Legal Counsel(s)

Hydeman & Mason, DC: fees for 1974—$632; Cooper, White & Cooper, San Francisco, CA: fees for 1974—$275; Gibson, Dunn & Crutcher, Los Angeles, CA: fees for 1974—$145; Clifford, Warnke, Glass, McIlwain & Finney, DC: fees for 1974—$101

Transportation Subsidiaries

None

Comments

Corporate Structure: Company has been the subject of frequent rumors of merger plans with EASTERN AIR LINES INC.

Labor: In October 1976 Company was struck for 3 weeks by the Air Line Pilots Association until a new contract was signed with Company.

Business Lines	Percent of Operating Revenue	Percent of Income
Airline: passenger	86.7%	98.4%
cargo	9.3	
charter, contract serv. & other	1.5	
Hotels, Computer Services & Other	2.4	1.6

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	13,002,927	1	13,002,927	39,697

CONTINENTAL AIR LINES INC

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Dreyfus Corp* Dreyfus Fund (505500)	505,500	3.89	505,500	-
2. National Aviation Corp	236,000	1.81	236,000	-
3. Lehman Brothers Inc+ Lehman Corp (200000)	200,000	1.54	200,000	-
4. Gruner, Richard (Liechtenstein)	200,000B	1.54	200,000B	-
5. Transamerica Corp< (PT) Occidental Life Insurance Co (153000)	153,000	1.18	153,000	-
6. Six, Robert F#	144,543	1.11	144,543	-
7. Fidelity Management & Research Co* Salem Fund (92300)	92,300	.70	92,300	-
8. Damm, Alexander#	59,700	.45	59,700	-
9. Cook, J Elliot	47,070B	.36	47,070B	-
10. First Investors Management Co* First Investors Fund For Growth (40000)	40,000	.30	40,000	-
11. Bank Of America NTSA	39,648	.30	40,447	-
12. Chase Manhattan Bank NA	19,000	.14	31,000	49,866B
13. United States Trust Co	16,300X	.12	28,744X	-
14. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (1171209)	-	-	-	1,171,209
15. Dean Witter & Co+	-	-	-	432,574
16. Bankers Trust Co	-	-	-	430,030B
17. Hutton (E F) & Co Inc+	-	-	-	290,847
18. Paine Webber Jackson & Curtis Inc+	-	-	-	253,675B
19. Morgan Guaranty Trust Co	-	-	-	217,300B
20. First Jersey National Bank	-	-	-	165,000B
21. Bache Halsey Stuart Inc+	-	-	-	150,632
22. First National City Bank	-	-	-	144,000B
23. Pershing & Co Inc+	-	-	-	142,326
24. Shearson Hayden Stone Inc<	-	-	-	123,121B
25. National Shawmut Bank Of Boston	-	-	-	102,000B
26. Harris Upham & Co Inc+	-	-	-	100,718B
27. Loeb Rhoades & Co+	-	-	-	90,205B
28. Hornblower & Weeks-Hemphill Noyes Inc+	-	-	-	78,540B
29. INA Corp< Blyth Eastman Dillon & Co+ (77448B)	-	-	-	77,448B
30. Cyrus J Lawrence Inc+	-	-	-	71,650B
31. Reynolds Securities Inc+	-	-	-	67,896B
32. Thomson McKinnon Auchincloss Kohlmeyer Inc+	-	-	-	54,861B
33. Boettcher & Co+	-	-	-	50,624B
34. Firestone Bank	-	-	-	50,000B
TOTALS	1,753,061	13.48%	1,778,304	

TOP 5 SHAREHOLDERS VOTE 9.96% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 12.91% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 13.48% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 13.48% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 13.48% OF THE STOCK.

CONTINENTAL OIL CO

High Ridge Pk., Stamford, CT 06904

Incorporated: Delaware
Fortune Rank: 16
Assets: $4,673,434
Total Debt: $1,144,668
Debt/Asset Ratio: 24.5%
Lease Commitments: $710,914
Number of Employees: 41,174
Operating Revenue: $7,041,423
Income: NA
Net Income: $327,609
Foreign Operating Revenue: NA
Foreign Income: 28%

Income Tax Rate: 9.5%
Regulation: SEC

Principal Underwriter(s)

S & DT–Morgan Stanley & Co

Legal Counsel(s)

Dewey, Ballantine, Bushby, Palmer & Wood, NY: fees for 1974–NA

Transportation Subsidiaries

Continental Pipe Line Co (PO-CN)

Comments

Corporate Structure: At the end of 1975 Company had 13.7 billion tons of coal reserves. Company's transportation operations include a fleet of 20 ocean going oil tankers (8 owned and 12 chartered) with a total deadweight tonnage of 1,524,000. In January 1976 the Venezuelan government nationalized Company's operations in that country.

Joint Ventures: Company is a member of Seadock Inc (see CITIES SERVICE CO). Company heads a consortium of 9 companies which was chosen in June 1976 by the Energy Research and Development Administration to build a coal gassification demonstration plant in Ohio.

Major Transactions: In 1975 Company was the 92nd largest defense contractor with over $47 million in revenues from military contracts.

Labor: In 1975 strikes lasting from 1 to 4 months occurred at 6 U.S. refineries until new contracts were signed with the Oil, Chemical and Atomic Workers Union.

Legal Proceedings: Company is a defendant with other oil companies in antitrust class action suits brought by the states of Florida, Connecticut, Kansas and California, and in a civil antitrust action brought by the U.S. Department of Justice. In June 1976 a federal grand jury charged Company and 6 other oil firms with gasoline price-fixing in 6 Mid-Atlantic states.

Payments Disclosure: In December 1976 Company disclosed questionable foreign and domestic political payments totalling $233,000 since 1971. In addition to these payments Company made "gifts" and "gratuities" to customers and government officials totalling yearly up to $31,000 since 1973. It stated that such payments "may be made in the future in accordance with local custom and practice where they are deemed to be in the best interest of the company." It also fired 2 vice-chairmen connected with the questionable payments.

Environment: Company is the subject of several administrative and judicial proceedings charging it with environmental pollution. Company has joined other oil companies and the American Petroleum Institute in suing the Environmental Protection Agency (EPA) to challenge EPA's regulations.

Business Lines	Percent of Operating Revenue	Percent of Income
Refined Petroleum	46.0%	72.1%
Crude Oil	31.5	
Natural Gas	2.3	
Coal	10.6	27.9
Chemicals & Plastics	5.6	
Other	4.2	

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	50,622,125	1	50,622,125	69,192
$2 CU CV Pfd.	441,640	1	441,640	3,650
Total Votes Outstanding			51,063,765	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Newmont Mining Corp	1,895,924	3.71	1,895,924	-
2. Bankers Trust Co	1,838,475	3.60	2,015,000	-
Continental Oil Thrift Pl/6817 Pcts (1585364)				
3. Mellon Bank NA	1,685,359	3.30	1,765,639	-
4. Dreyfus Corp•	766,100	1.50	766,100	-
Dreyfus Fund (751100)				
Dreyfus Intercontinental Invest (15000)				
5. Manufacturers Hanover Trust Co	726,983	1.42	870,390	-
6. New York State Teachers' Retirement System	670,600	1.31	670,600	-
7. Continental Investment Corp<	608,400	1.19	608,400	-
United Investors Life Insurance Co (1900)				
Waddell & Reed Inc•				
United Continental Growth Fund (40000)				
United Accumulative Fund (353500)				
United Income Fund (163000)				
United Science Fund (50000)				

CONTINENTAL OIL CO

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
8. Harris Trust & Savings Bank	600,441	1.18	688,719	-
9. Lord Abbett & Co*	500,000	.97	500,000	-
Affiliated Fund (500000)				
10. Kemper Family Group	466,100	.91	466,100	-
American Manufacturers Mutual Insur (15000)				
American Motorists Insurance Co (25000)				
Economy Fire & Casualty Co (10000)				
Federal Kemper Insurance Co (1000)				
Federal Kemper Life Assurance Co (500)				
Fidelity Life Association (2000)				
Iowa Kemper Insurance Co (2000)				
Kemper Reinsurance Co (5000)				
Kemper Security Insurance Co (500)				
Lumbermans Mutual Casualty Co (65000)				
National Automobile & Casualty (2000)				
Sequoia Insurance Co (1500)				
Supervised Investors Services Inc*				
Supervised Investors Income Fund (10000)				
Supervised Investors Growth Fund (90000)				
Supervised Investors Summit Fund (35000)				
Technology Fund (200000)				
American Equity Fund (1600)				
11. Rowe Price (T) & Associates Inc*	412,300	.80	412,300	-
Rowe Price (T) Growth Stock Fund (361800)				
Rowe Price New Era Fund (50500)				
12. National Bank Of Tulsa	352,624	.69	383,224	-
13. Ford Foundation	350,000	.68	350,000	-
14. Provident National Bank	347,139	.67	366,594	-
15. Continental Illinois National Bank & Trust Co	288,038	.56	372,969	-
16. Harvard University	286,900H	.56	286,900H	-
17. Ohio State Teachers Retirement System	273,600H	.53	273,600H	-
18. International Telephone & Telephone Corp<	273,060	.53	273,060	-
Hartford Accident & Indemnity Co (62446)				
Hartford Fire Insurance Co (50668)				
Hartford Variable Annuity Life Insur (6300)				
Pacific Insurance Co Ltd (3646)				
Hamilton Management Corp*				
Hamilton Funds (150000)				
19. Travelers Corp<	268,100	.52	268,100	-
Charter Oak Fire Insurance Co (6000)				
Phoenix Insurance Co (53800)				
Travelers Indemnity Co (101600)				
Travelers Insurance Co (106700)				
20. Tisch Family Group-Loews Corp<	257,000	.50	257,000	-
Continental Assurance Co (112000)				
Continental Casualty Co (100000)				
National Fire Insur Co Of Hartford (15000)				
Transcontinental Insurance Co (15000)				
Valley Forge Insurance Co (15000)				
21. Stein Roe & Furnham*	240,000	.47	240,000	-
Stein Roe & Furnham Balanced (110000)				
Stein Roe & Furnham Stock Fund (130000)				
22. First National Bank Of Denver	238,797	.46	243,847	-
23. First National Bank Of Boston	238,400	.46	260,300	-
24. Seligman (J & W) & Co+	230,000	.45	230,000	-
Union Service Corp*				
Broad Street Investing Corp (60000)				
Tri-Continental Corp (170000)				
25. Mercantile Trust Co NA	204,800	.40	204,800	-
26. John Hancock Mutual Life Insur Co< (200000)	201,000	.39	201,000	-
Hanseco Insurance Co (1000)				
27. Alleghany Corp< (PT)	200,000	.39	200,000	-
Investors Diversified Services Inc*				
Investors Mutual (200000)				
28. Northwestern National Bank Of Minneapolis	181,361	.35	185,096	-
29. Robeco* (Netherlands)	170,000	.33	170,000	-
30. Pittsburgh National Bank	163,779	.32	166,085	-
31. Republic National Bank Of Dallas	157,836	.30	157,836	-
32. Yale University	152,600H	.29	152,600H	-
33. Chemical Bank (NY)	149,000	.29	149,000	-

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
34. State Farm Mutual Automobile Insur< (111000) State Farm Fire Casualty Co (30000)	141,000	.27	141,000	-
35. Equitable Life Assurance Society Of The US	140,700	.27	140,700	-
36. Contintental Corp< Buckeye Union Insurance Co (38400) Fidelity & Casualty Co Of New York (20000) National-Ben Franklin Insur Co (81600)	140,000	.27	140,000	-
37. USLIFE Corp< USLIFE Mutual Funds Mngt Corp* USLIFE Funds (135000)	135,000	.26	135,000	-
38. Bank Of America NTSA	125,986	.24	132,436	-
39. Fidelity Management & Research Co* Essex Fund (15500) Fidelity Fund (108800)	124,300	.24	124,300	-
40. Chase Manhattan Bank NA	121,000	.23	237,000	-
41. Security Pacific National Bank	113,212	.22	142,886	-
42. New England Merchants National Bank	102,274	.20	159,365	-
43. Oppenheimer & Co+ Oppenheimer Management Corp* Oppenheimer Fund (100000)	100,000	.19	100,000	-
44. General Accident Fire & Life-England (36890) Camden Fire Insurance Association (18112) Pennsylvania General Insurance Co (11656) Potomac Insurance Co (29724)	96,382	.18	96,382	-
45. Boatman'S National Bank Of St Louis	95,057	.18	102,885	-
46. Riggs National Bank	94,161	.18	153,496	-
47. Texas, University Of	93,576F	.18	93,576F	-
48. First Pennsylvania Bank NA	85,876	.16	153,494	-
49. United States Trust Co	66,956X	.13	406,463X	-
50. First National City Bank	59,411	.11	197,269	-
51. First National Bank Of Atlanta	57,584	.11	136,169	-
52. Morgan Guaranty Trust Co	35,476	.06	119,724	-
53. Trust Company Bank (Georgia)	-	-	112,000	-
TOTALS	17,322,656	33.92%	19,075,328	

TOP 5 SHAREHOLDERS VOTE 13.54% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 19.11% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 22.54% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 25.20% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 27.45% OF THE STOCK.

DELTA AIR LINES INC

Hartsfield Atlanta International Airport, Atlanta, GA 30320

Incorporated: Delaware
Fortune Rank: 13 T
Assets: $1,353,710
Total Debt: $445,664
Debt/Asset Ratio: 32.9%
Lease Commitments: $378,490
Number of Employees: 27,800
Operating Revenue: $1,377,030
Income: $95,030 (a)
Net Income: $49,223
Foreign Operating Revenue: Insignificant
Foreign Income: Insignificant

Income Tax Rate: 34%
Regulation: SEC, CAB

Principal Underwriter(s)

S–Reynolds Securities

Legal Counsel(s)

Hale, Russell & Stentzel, NY: fees for 1974–$219; Troutman, Sanders, Lockerman & Ashmore, GA: fees for 1974–$94

Transportation Subsidiaries – None

Comments

Legal Proceedings: Company is a defendant in several actions charging it with sex and racial discrimination in its employment practices.

Business Lines		Percent of Operating Revenue	Percent of Income
Airline:	passenger	91.6%	NA
	cargo	6.2	NA
	other	2.2	NA

NOTE: All financial data listed above as of 6-30-75.

Stock Structure

Class	Shares Outstanding (6-30-75)	Votes per Share	Total Votes per Class	Stockholders of Record (8-8-75)
Common	19,880,577	1	19,880,577	23,314

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Dreyfus Corp•	650,050	3.27	650,050	-
Dreyfus Fund (650050)				
2. Equitable Life Assurance Society Of The US	605,000	3.04	605,000	-
3. Rowe Price (T) & Associates Inc•	323,200	1.63	323,200	-
Rowe Price (T) Growth Stock Fund (323200)				
4. Biedenharn Family Interests#	300,564F	1.51	300,564F	-
Biedenharn Realty Co Inc (274230F)				
Biedenharn, B W (26334F)				
5. Capital Research & Management Co•	279,000	1.40	279,000	-
Investment Company Of America (268000)				
Capital Fund Of America (11000)				
6. New York City Comptroller'S Office	235,000H	1.18	235,000H	-
7. International Telephone & Telegraph Corp<	224,800	1.13	224,800	-
Hartford Accident & Indemnity Co (100000)				
Hartford Life Insurance Co (11000)				
Hartford Life & Accident Insur Co (1500)				
Hartford Variable Annuity Life Insur (2300)				
Hamilton Management Corp•				
Hamilton Funds (100000)				
Hamilton Growth Fund (10000)				
8. Harris Trust & Savings Bank	211,533	1.06	300,546	73,722
9. Connecticut General Insurance Corp	209,500	1.05	209,500	-
Connecticut Genl Life Insurance Co (134500)				
Aetna Insurance Co (30000)				
CG Investment Management Co•				
CG Fund (30000)				
Companion Fund (15000)				
10. Massachusetts Financial Services Inc•	200,000	1.01	200,000	-
Massachusetts Investors Trust (200000)				
11. Wellington Management Co•	200,000	1.01	200,000	-
Wellington Fund (200000)				
12. Nunnally, Winship	194,988B	.98	194,988B	-
13. Kemper Family Group	192,200	.96	192,200	-
American Manufacturers Mutual Insur (11503)				
American Motorists Insur Co (10997)				
Economy Fire & Casualty Co (2000)				
Federal Kemper Insurance Co (9000)				
Fidelity Life Association (1300)				
Iowa Kemper Insurance Co (1498)				
Kemper Reinsurance Co (3501)				
Kemper Security Insurance Co (500)				
Lumbermans Mutual Casualty Co (64999)				
National Automobile & Casualty Insur (500)				
Sequoia Insurance Co (1402)				
Supervised Investors Services Inc•				
Supervised Investors Growth Fund (25000)				
Technology Fund (60000)				
14. Alleghany Corp< (PT)	185,000	.93	185,000	-
Investors Diversified Services Inc•				
IDS New Dimensions Fund (150000)				
IDS Progressive Fund (35000)				
15. First National Bank Of Chicago	183,910	.92	189,085	-
16. Ohio State Teachers Retirement System	180,000H	.90	180,000H	-
17. American Security & Trust Co	172,252	.86	172,252	-
18. Chase Manhattan Bank NA	171,000	.86	514,000	165,805
19. California, University Of	169,700F	.85	169,700F	-
20. Lord Abbett & Co•	167,600	.84	167,600	-
Affiliated Fund (167600)				
21. First National Bank Of Boston	158,300	.79	164,200	45,574
22. Security Pacific National Bank	155,985	.78	162,006	-
23. Washington National Corp<	152,500	.76	152,500	-
Anchor Corp•				
Fundamental Investors (150000)				
Washington National Fund (2500)				
24. Aetna Life & Casualty Co	148,000	.74	148,000	-
Aetna Life Insurance Co (98500)				
Aetna Variable Annuity Life Insur (44500)				
Aetna Investment Management Inc•				
Aetna Fund (5000)				
25. Cone, Eleanor Faulk	143,418B	.72	143,418B	-

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
26. Chemical Bank (New York)	139,164	.69	514,000	-
27. Continental Illinois National Bk & Trust Co	132,239	.66	171,404	38,686
28. Los Angeles City Employees' Retirement Assn	125,000	.62	125,000	-
29. Ford Foundation	120,000	.60	120,000	-
30. Freeman, R W & Family#	115,750F	.58	115,750F	-
31. First National City Bank	107,200	.53	166,654	-
32. National Bank Of Detroit	103,592	.52	123,488	66,849
33. Citizens & Southern National Bank<	100,041	.50	149,882	158,478
34. Oppenheimer & Co+	100,000	.50	100,000	-
Oppenheimer Management Corp*				
Oppenheimer Fund (100000)				
35. Rhode Island Hospital Trust Natl Bank	96,015	.48	96,015	-
36. Gates Rubber Co< (PT)	86,000	.43	86,000	-
Financial Programs Inc*				
Financial Dynamics Fd (17000)				
Financial Industrial Income Fd (65000)				
Financial Venture Fd (4000)				
37. American General Insurance Co<	83,000	.41	83,000	-
Variable Annuity Life Insurance Co (31000)				
American General Capital Management Inc*				
Channing Securities (5000)				
Channing Shares (30000)				
Fund Of America (17000)				
38. Bank Of America NTSA	78,806	.39	90,066	-
39. Wachovia Bank & Trust Co NA	72,911	.36	75,211	-
40. Longmire, John R & Family#	70,676F	.35	70,676F	-
41. National Bank Of Georgia	69,150H	.34	69,150H	-
Delta Family-Care Savings Pl (69150H)				
42. Lincoln National Corp<	69,000	.34	69,000	-
Lincoln National Life Insurance Co (51500)				
Lincoln National Investment Mngt Co*				
Selected Special Shares (17500)				
43. Rockefeller Family Interests	65,600	.32	65,600	-
Rockefeller Foundation (65000)				
44. Seattle-First National Bank	61,850	.31	104,050	-
45. Allendale Group<	53,600	.26	53,600	-
Arkwright-Boston Mfg Mutual Insur (53600)				
46. Boatman'S National Bank Of St Louis	51,685	.25	53,210	-
47. Scudder Stevens & Clark Co*	50,000	.25	50,000	-
Scudder Stevens & Clark Common St (50000)				
48. Storer Broadcasting	50,000	.25	50,000	-
49. First National Bank Of Atlanta	49,214	.24	114,858	-
50. Power Corp-Investors Group Of Canada<	47,000	.23	47,000	-
Investors Securities Management Ltd*				
Investors International Mutual Fd (40000)				
Provident Stock Fund (7000)				
51. New York City Teachers' Retirement System	42,310	.21	42,310	-
52. Fidelity Management & Research Co*	41,000	.20	41,000	-
Salem Fund (41000)				
53. Control Data Corp<	40,000	.20	40,000	-
American Credit Indemnity Co Of NY (8000)				
Calvert Fire Insurance Co (32000)				
54. Employers Insurance Of Wausau	40,000	.20	40,000	-
Employers Mutual Life Insurance Co (3500)				
Employers Mutual Liability Insur Co (36500)				
55. General American Life Insurance Co	40,000	.20	40,000	-
56. Piedmont Management Co Inc<	40,000	.20	40,000	-
Lexington Management Corp*				
Lexington Research Fund (40000)				
57. Hartford National Bank & Trust Co	38,879	.19	41,179	-
58. Harriman Family Group#	30,122	.15	30,122	122,051
Brown Brothers Harriman & Co (122051)				
Gerry Brothers & Co (2000)				
Gerry, Edward H & Family (28122)				
59. Northwestern National Bank Of Minneapolis	23,775	.11	43,275	-
60. United States Trust Co	5,200Y	.02	48,259Y	-
61. Crocker National Bank	3,472	.01	62,072	-
62. Trust Company Bank (Georgia)	-	-	171,000	31,651
63. Manufacturers National Bank Of Detroit	-	-	63,160	-
64. Bankers Trust Co	-	-	-	955,361B
65. Merrill Lynch & Co Inc<	-	-	-	554,693B
Merrill Lynch Pierce Fenner & Sm+ (554693B)				

DELTA AIR LINES INC

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
66. Morgan Guarant, Trust Co	-	-	-	269,700B
67. Detroit Bank & Trust Co	-	-	-	221,250B
68. Bank Of California NA	-	-	-	160,400B
69. Simon (I M) & Co+	-	-	-	154,155B
70. Bank Of New York	-	-	-	121,118
71. Union Bank (Los Angeles)	-	-	-	116,800B
TOTALS	8,255,751	41.53%	9,728,600	

TOP 5 SHAREHOLDERS VOTE 10.85% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 16.29% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 21.10% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 25.43% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 29.24% OF THE STOCK.

DILLINGHAM CORP

P.O. Box 3468, Honolulu, HI 96801

Incorporated: Hawaii
Fortune Rank: 247 NRF
Assets: $600,587
Total Debt: $228,209
Debt/Asset Ratio: 38%
Lease Commitments: $93,310
Number of Employees: 12,500
Operating Revenue: $770,470
Income: $60,300 (a)
Net Income: $19,744
Foreign Operating Revenue: 18.5%
Foreign Income: 25%
Income Tax Rate: 32.4%
Regulation: SEC, ICC & FMC (Foss Launch & Tug Co)

Principal Underwriter(s)

DT (1969)–Dominick & Dominick

Legal Counsel(s)

Cahill, Gordon & Reindel, NY: fees for 1973–NA

Transportation Subsidiaries

Foss Launch & Tug Co (WC-CN)
Pacific Norse Shipping Ltd (WC-UN)

Comments

Corporate Structure: Pacific Norse Shipping Ltd, a joint venture between Company and a private Norwegian shipping concern with 1975 assets of $155 million, is consolidated in Company's financial statements on an equity basis only. As of December 1974 Company had on order 2 large barges and Pacific Norse had on order 7 dry bulk carriers aggregating 245,000 deadweight tons.

Joint Ventures: Company operates the 1,268-room Ala Moana Hotel in Hawaii as a joint venture with AMERICAN AIRLINES INC.

Business Lines	Percent of Operating Revenue	Percent of Income
Maritime Transportation	15.2%	34.5%
Natural Resources: natural gas	15.3	21.1
rock prod. & mining	8.6	6.8
Building & Highway Construction	41.9	6.0
Marine & Heavy Construction	14.7	10.8
Land Development & Real Estate	4.3	15.9
Investments	–	5.0

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	12,742,328	1	12,742,328	14,290
$2 CU CV Pfd.	427,168	½	213,584	3,028
Total Votes Outstanding			12,955,912	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Dillingham Family Interests# Dillingham (B F) Co Ltd (1308100) Dillingham Family (1064160)	2,372,260	18.31	2,372,260	-
2. First National Bank Of Chicago	533,670	4.12	636,770	-
3. Wick, M A Jr#	394,875E	3.05	394,875E	-
4. Seattle-First National Bank	194,596	1.50	195,804	-

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
5. Continental Corp<	135,000	1.04	135,000	-
Buckeye Union Insurance Co (80000)				
Commercial Insur Co Of Newark (15000)				
Fidelity & Casualty Co Of NY (20000)				
Niagra Fire Insurance Co (20000)				
6. Morgan Guaranty Trust Co	107,600	.83	107,600	-
7. Bank Of America NTSA	38,265	.29	46,575	-
8. Wheaton, G S#	37,376E	.28	37,376E	-
9. Crocker National Bank	29,713	.22	29,713	-
TOTALS	3,843,355	29.66%	3,955,973	

TOP 5 SHAREHOLDERS VOTE 23.02% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 29.66% OF THE STOCK.

DRAVO CORP

1 Oliver Plz., Pittsburgh, PA 15222

Incorporated: Pennsylvania
Fortune Rank: 322 NRF
Assets: $294,433
Total Debt: $101,485
Debt/Asset Ratio: 34.5%
Lease Commitments: $25,618
Number of Employees: 12,202
Operating Revenue: $539,592
Income: $18,377 (b)
Net Income: $10,712
Foreign Operating Revenue: 11.9%
Foreign Income: NA
Income Tax Rate: 36.9%
Regulation: SEC, ICC (DRAVO CORP & Union Mechling Co)

Principal Underwriter(s)

S–Kuhn, Loeb & Co

Legal Counsel(s)

Simpson, Thacher & Bartlett, NY: fees for 1974–NA; Jones, Day, Reavis & Pogue, OH: fees for 1974–NA

Transportation Subsidiaries

Union Mechling Corp (WC-CN)

Comments

Capital Structure: In January 1976 Company effected a 2-for-1 split of its common stock and issued $11 million in new equity.

New Ventures: Company is working on a design for a floating nuclear power station.

Joint Ventures: In 1976 Company joined in a 50-50 joint venture with a subsidiary of UNION PACIFIC CORP to develop and mine low sulphur coal in Wyoming. Company has been chosen by the Federal Energy Research and Development Administration to play a major role in the construction of a $216 million coal gassification demonstration plant.

Major Transactions: Company is currently building 120 barges of 1,500 tons each and 10 towboats for American Electric Power System, which constitutes Company's largest order for marine equipment.

Labor: In 1974 a strike by Local 61 of the Industrial Union of Marine and Shipbuilding Workers of America shut down Company's Engineering and Works Division for 12 weeks. A new 3-year contract was signed in November.

Legal Proceedings: In February 1975 Company and 4 co-venturers filed a $205 million suit against New York City for non-payment of work on the $225 million Water Tunnel Project. New York, however, has declared the contractors in default for suspending construction on the tunnel and is seeking to force the Dravo consortium to honor the contract.

Business Lines	Percent of Operating Revenue	Percent of Income
Engineering & Construction of Processing & Power Plants & Other Facilities	33.9%	69.5%
Engineering & Heavy Construction	26.6	31.8
Mfg. of Barge Shipping Equipment & Other Machinery	22.5	7.4
Natural Resources	3.6	9.0
Barge Shipping; Constr., Mining & Logging Equipment	17.6	46.6
Intergroup Sales	(4.2)	–
Interest & Unallocated Corp. Expenses	–	(64.3)

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (3-6-75)
Common	2,223,654	1	2,223,654	5,162
$2.20 CU CV Ser. A Pref.	26,817	1	26,817	4
$2.475 CU CV Ser. B Pref.	165,516	1	165,516	3
Total Votes Outstanding			2,415,987	

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Mechling Family Interests	165,516E	6.94	165,516E	-
Mechling, Floyd A (57815E)				
Mechling, Harold G (57815E)				
Mechling (D L) Trust (49886E)				
2. Pittsburgh National Bank	98,948	4.15	112,799	-
3. Capital Research & Management Corp*	89,400	3.75	89,400	-
Growth Fund Of America (14400)				
New Perspective Fund (75000)				
4. Pioneer Western Corp<	78,000	3.27	78,000	-
Pioneering Management Corp*				
Pioneer Fund (78000)				
5. Jansen, Carl B	66,067E	2.77	66,067E	-
6. Union National Bank Of Pittsburgh	65,8[illegible]	2.76	67,853	-
7. Mellon Bank NA	37,361	1.57	39,961	-
8. Mertz, L A#	35,147E	1.47	35,147E	-
9. Tisch Family Group-Loews Corp<	25,000	1.05	25,000	-
CNA Management Corp*				
Knickerbocker Fund (10500)				
Knickerbocker Growth Fund (14500)				
10. Beidler, John K & Family#	24,328E	1.02	24,328E	-
11. Berg (J D) Trust	23,800E	.99	23,800E	-
12. Struble, Louis P Jr & Family#	21,450E	.89	21,450E	-
13. Crain, Marjorie D	20,700E	.86	20,700E	-
14. Garner, John M	20,356E	.85	20,356E	-
15. Walker, C E	19,150E	.80	19,150E	-
16. Dickey, Robert III & Family#	17,722E	.74	17,722E	-
17. Marks, Stanley G	17,460E	.73	17,460E	-
18. Edwards, A H	16,596E	.69	16,596E	-
19. Fitch, E T	16,402E	.68	16,402E	-
20. Pettit, Karl D	13,900E	.58	13,900E	-
21. Gott, Francis P	12,557E	.52	12,557E	-
22. Vanderbilt University	12,000F	.50	12,000F	-
23. Steadman Security Corp*	12,000	.50	12,000	-
Oceanographic Fund (12000)				
24. Lore, H Edgar & Family#	6,773E	.28	6,773E	-
25. Axe (E W) & Co Inc*	5,000	.20	5,000	-
Axe-Houghton Stock Fund (5000)				
26. Crocker National Bank	1,200	.05	11,200	3,600E
27. Merrill Lynch & Co Inc<	-	-	-	13,022E
Merrill Lynch Pierce Fenner & Sm+ (13022E)				
28. First Jersey National Bank	-	-	-	9,500E
TOTALS	922,638	38.70%	951,137	

TOP 5 SHAREHOLDERS VOTE 20.89% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 28.76% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 33.18% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 36.62% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 38.65% OF THE STOCK.

EAST TEXAS MOTOR FREIGHT LINES INC

2355 Stemmons Freeway, Dallas, TX 75207

Incorporated: Texas
Fortune Rank: –
Assets: $33,178
Total Debt: $5,613
Debt/Asset Ratio: 16.9%
Lease Commitments: NA
Number of Employees: 3,347
Operating Revenue: $109,808
Income: $6,221 (a)
Net Income: $2,403
Foreign Operating Revenue: None

Principal Underwriter(s) – None

Foreign Income: None
Income Tax Rate: 55.7%
Regulation: ICC

Legal Counsel(s) – NA

Transportation Subsidiaries – None

Control

H.R. Bright# (55.00%); H.G. Schiff# (30.00%); J.A. Myers (7.50%); Harvey R. Mitchell (3.00%); R.B. Payne# (2.50%); B.B. Tuley (2.00%).

Stock Structure (Private)

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	500,000	1	500,000	6

EASTERN AIR LINES INC

10 Rockefeller Plz., New York, NY 10020

Incorporated: Delaware
Fortune Rank: 8 T
Assets: $1,410,717
Total Debt: $799,174
Debt/Asset Ratio: 56.7%
Lease Commitments: $1,147,100
Number of Employees: 32,600
Operating Revenue: $1,530,288
Income: $70,735 (a)
Net Income: $10,395
Foreign Operating Revenue: 17%
Foreign Income: NA
Income Tax Rate: None
Regulation: SEC, CAB

Principal Underwriter(s)

S & DT (1972)–Kuhn, Loeb & Co; Smith, Barney

Legal Counsel(s)

Gambrell, Russell, Killorin, Wade & Forbes (Gen. Couns.), GA & DC: fees for 1974–$1,064; Bradford, Williams, McKay, Kimbrell, Hamann & Jennings, FL: fees for 1974–$101; Poletti, Freidin, Prashker, Feldman & Gartner, NY: fees for 1974–$44

Transportation Subsidiaries – None

Comments

Corporate Structure: Company's two luxury hotels in Puerto Rico, acquired from the Rockefeller interests in 1971, were put up for sale in October 1975 and were written off as a loss of $16.8 million. When no buyers were found, ownership titles to the properties were conveyed in June 1976 to the 2 insurance companies that had financed them–a unit of Connecticut General Insurance Corp, and Teachers Insurance and Annuity Association of America. In January 1976, faced with default on its debt, Company arranged with 70 lending institutions a deferral of $75 million in debt payments (see also "Labor"). Lazard Freres & Co, an investment bank, is working with Company on a repayment plan. For merger discussions see CONTINENTAL AIR LINES INC and PAN AMERICAN WORLD AIRWAYS INC.

Changes in Corporate Control: In August 1976 Laurence S. Rockefeller agreed to forego over $2 million in undeclared overdue dividends on his 216,736 shares of convertible preferred stock and to exchange the latter for 800,000 shares of Company's common stock. The exchange, to begin in 1977, will increase the number of Company's total outstanding stock.

Major Transactions: See GREYHOUND CORP.

Labor: In 1975 almost all of Company's employees agreed to a wage freeze for 1976. The freeze allowed the company to avoid defaulting on its debt payments, and contributed 30% of its fiscal 1976 9-months profit.

Legal Proceedings: In late 1974 the House Judiciary Committee investigated possible connections between a $200,000 contribution by the Rockefeller family to President Nixon's re-election campaign and the President's reversal of a CAB ruling against Company. The presidential ruling had allowed Company to acquire Caribair, a Puerto Rico-based airline.

Business Lines		Percent of Operating Revenue	Percent of Income
Airline:	passenger	90.3%	NA
	cargo	4.8	NA
	other	4.9	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	19,043,225	1	19,043,225	56,600
$3.75 CV Pfd.	216,736	1	216,736	1
Total Votes Outstanding			19,259,961	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Dreyfus Corp* Dreyfus Fund (669100)	669,100	3.47	669,100	-
2. Eastern Air Lines Inc Monthly Investment Plan (2666 Participants)	387,481	2.01	387,481	-
3. Rockefeller Family Interests# Rockefeller, Laurance S (341736) Woodward, Harper (2000)	343,736	1.78	343,736	-
4. National Aviation Corp	223,100	1.16	223,100	-
5. Madison Fund Inc	60,000	.31	60,000	-
6. Clark, Grady L	50,000B	.25	50,000B	-
7. Franklin Resources Inc< Franklin Research Inc* Franklin Custodian Funds-Dynatech (30000) Franklin Custodian Funds-Growth (15000)	45,000	.23	45,000	-
8. Chase Manhattan Bank NA	11,000	.05	20,000	145,380B
9. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (1960941)	-	-	-	1,960,941
10. Bache Halsey Stuart Inc+	-	-	-	631,725
11. Hutton (E F) & Co Inc+	-	-	-	318,629
12. Reynolds Securities Inc+	-	-	-	300,781
13. Shearson Hayden Stone Inc<	-	-	-	298,482

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
14. Thomson Mckinnon Auchincloss Kohlmeyer Inc+	-	-	-	254,490
15. Paine Webber Jackson & Curtis Inc+	-	-	-	240,769
16. Hornblower & Weeks-Hemphill Noyes Inc+	-	-	-	206,339
17. Dean Witter & Co+	-	-	-	200,601
18. Edwards (A G) & Sons Inc+	-	-	-	174,098B
19. Loeb Rhoades & Co+	-	-	-	172,563
20. Pershing & Co Inc+	-	-	-	171,062
21. Firestone Bank	-	-	-	167,000B
22. Harris Upham & Co Inc+	-	-	-	164,584
23. Morgan Guaranty Trust Co	-	-	-	129,336
24. Girard Trust Bank (Philadelphia)	-	-	-	114,830B
25. Manufacturers Hanover Trust Co	-	-	-	103,692B
26. First National City Bank	-	-	-	88,203B
27. Swiss Bank Corp	-	-	-	79,839B
28. Edwards & Hanly+	-	-	-	73,400
29. Dupont Glore Forgan Inc+	-	-	-	64,126
30. Harriman Family Group Brown Brothers Harriman & Co (52494B)	-	-	-	52,494B
31. Bank Of New York	-	-	-	52,356B
TOTALS	1,789,417	9.29%	1,798,417	

TOP 5 SHAREHOLDERS VOTE 8.74% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 9.29% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 9.29% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 9.29% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 9.29% OF THE STOCK.

EASTERN FREIGHT WAYS INC

Eastern & Moonachie Aves., Carlstadt, NJ 07072

Incorporated: New York
Fortune Rank: –
Assets: $39,641
Total Debt: $26,044
Debt/Asset Ratio: 65.7%
Lease Commitments: $697
Number of Employees: 1,800 (approx.)
Operating Revenue: $49,624
Income: $2,197 (a)
Net Income: $861
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 34.5%
Regulation: SEC, ICC

Principal Underwriter(s)—None

Legal Counsel(s)

Hein, Waters, Klein & Zurkow (Gen. Couns.), NY: fees for 1974–NA; Ballon, Stoll & Itzler, NY: fees for 1976–NA

Transportation Subsidiaries

ASSOCIATED TRANSPORT INC (MF-UN)

Control

Shevell Family Interests# (71.43%); Eastern Freight Ways Pension Trust (2.50%); Jack Teicher# (.57%); Frank Zupan (.45%).

Comments

Corporate Structure: Company was the 95th largest Class I motor freight carrier in 1974 but went bankrupt with its affiliate ASSOCIATED TRANSPORT INC in April 1976. After the courts twice denied Company permission to reorganize under Chapter XI of the Federal Bankruptcy Act, its operating rights and those of ASSOCIATED TRANSPORT INC were sold at auction in July 1976. Portions of ASSOCIATED's operating rights were acquired by 19 motor carriers, including ROADWAY EXPRESS INC, ARKANSAS BEST CORP, Ryder Truck Lines Inc (ST), LEE WAY MOTOR FREIGHT INC and WILSON FREIGHT CO.

Legal Proceedings: In 1975 the SEC charged Company and ASSOCIATED TRANSPORT INC, as well as several of their executives, with diverting employee pension funds for use as working capital and with violating anti-fraud provisions of the securities laws. In November 1975 a federal district judge ordered the companies to appoint new executives and a special counsel to investigate the alleged abuse of pension funds, and enjoined them from securities violations in the future.

Business Lines	Percent of Operating Revenue	Percent of Income
Trucking	90%+	90%+

NOTE: All financial data listed above as of 12-31-73.

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	883,126	1	883,126	439

EASTERN GAS & FUEL ASSOCIATES

2900 Prudential Tower, Boston, MA 02199

Incorporated: Massachusetts
Fortune Rank: 319
Assets: $630,078
Total Debt: $272,875
Debt/Asset Ratio: 43.3%
Lease Commitments: $88,028
Number of Employees: 10,100
Operating Revenue: $543,438
Income: $63,557 (b)
Net Income: $42,009
Foreign Operating Revenue: See Comments
Foreign Income: See Comments
Income Tax Rate: 33.9%
Regulation: SEC

Principal Underwriter(s)

S–First Boston Corp

Legal Counsel(s)

Hahn, Loeser, Freedheim, Dean & Wellman, OH: fees for 1974–$605; Foley, Hoag & Elliot, MA: fees for 1974–$281; Ropes &Gray, MA: fees for 1974–$138; Nickerson, Kramer, Lowenstein, Nessen , Kamin & Soll, NY: fees for 1974–$59

Transportation Subsidiaries

Midland Enterprises Inc (WC-CN)

Comments

Corporate Structure: Company is an unincorporated voluntary association known as a Massachusetts business trust. See also ASSOCIATED TRUCK LINES INC.

Capital Structure: In July 1975 and July 1976 Company effected 3-for-2 splits of its common stock.

Joint Ventures: Company is a joint venturer with TEXAS EASTERN TRANSMISSION CORP in New Mexican coal land.

Major Transactions: In 1975 Company sold approximately 28% of its coal production to foreign countries. Coal also accounted for 60% of the tonnage shipped by Company's waterborne transportation subsidiaries in 1974. Company's natural gas utility, Boston Gas Co, currently receives 54% of its supplies from ALGONQUIN GAS TRANSMISSION CO, in which Company is a major stockholder, and 34% from TENNECO INC.

Labor: In 1974 and 1975 Company's coal operations were interrupted by wildcat strikes and work stoppages including a widespread strike in West Virginia in August and September 1975.

Business Lines	Percent of Operating Revenue	Percent of Income
Coal Mining	48.2%	54.1%
Natural Gas	29.3	23.4
Marine Transportation	17.6	27.4
Coke	4.7	4.7
Other	0.2	(14.2)
Equity in ALGONQUIN GAS TRANSMISSION CO	–	4.6

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	8,889,697	1	8,889,697	10,000

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Boston Safe Deposit & Trust Co	239,714	2.70	273,162	3,039
Douglas T Johnston & Co Inc*				
Johnston Mutual Fund (206000)				
2. Alleghany Corp* (PT)	191,000	2.15	191,000	-
IDS Life Insurance Co (66000)				
Investors Diversified Services Inc*				
IDS New Dimensions Fund (125000)				
3. Delaware Management Co Inc*	170,000	1.91	170,000	-
Delaware Fund (170000)				
4. Philadelphia National Bank	169,445	1.91	169,445	-
5. Yale University	165,500H	1.86	165,500H	-
6. Adams Express Co (75000)	135,000	1.52	135,000	-
Petroleum Corp Of America (60000)				
7. Neuberger & Berman+	123,500	1.39	123,500	-
Cedar Street Consultants Inc*				
Energy Fund (117500)				
Guardian Mutual Fund (6000)				
8. Metropolitan Life Insurance Co	115,194	1.30	115,194	-
9. Fidelity Management & Research Co*	113,105	1.27	113,105	-
Contrafund (34000)				
Essex Fund (8500)				
Salem Fund (12000)				
Fidelity Equitalia SA (3605)				
Fidelity Pacific Fund SA (15000)				
Fidelity International Fund Nv (40000)				
10. Bankers Trust Co	88,896	.99	294,000	-
11. Dartmouth College	79,469G	.89	79,469G	-

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
12. Security Benefit Life Insurance Co< Security Management Co Inc• Security Equity Fund (76000)	76,000	.85	76,000	-
13. Elfun Trusts	55,000	.61	55,000	-
14. United Corp	50,000	.56	50,000	-
15. Bank Of America NTSA	43,200	.48	48,795	-
16. First National Bank Of Chicago	41,706	.46	44,880	-
17. Fiore, L R#	32,251E	.36	32,251E	-
18. Warberg (S G) & Co Ltd/Loeb Rhoades & Co Energy International Nv (31367)	31,367	.35	31,367	-
19. Machen, C F#	30,000E	.33	30,000E	-
20. Philips, J N#	29,862E	.33	29,862E	-
21. First National Bank Of Boston	28,600	.32	93,700	-
22. Carleton College	25,500G	.28	25,500G	-
23. Minnesota, University Of	21,630G	.24	21,630G	-
24. Frankfurt-Trust Investment Gesellschaft• Neckermann-Fonds (20600)	20,600	.23	20,600	-
25. International Telephone & Telegraph Corp< Hamilton Management Corp• Hamilton Growth Fund (20000)	20,000	.22	20,000	-
26. Lord Abbett & Co• American Business Shares (18000)	18,000	.20	18,000	-
27. Freeman, R H#	15,235E	.17	15,235E	-
28. Chase Manhattan Bank NA	11,000	.12	92,000	-
29. United States Trust Co	4,579X	.05	30,440X	-
30. First National City Bank	2,279	.02	51,025	-
31. Manufacturers National Bank Of Detroit	-	-	22,233	-
TOTALS	2,147,632	24.16%	2,637,893	

TOP 5 SHAREHOLDERS VOTE 10.53% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 17.00% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 20.42% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 22.28% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 23.58% OF THE STOCK.

EL PASO CO

2727 Allen Parkway, Houston, TX 77001

Incorporated: Delaware
Fortune Rank: 26 U
Assets: $2,121,616
Total Debt: $1,115,922
Debt/Asset Ratio: 52.6%
Lease Commitments: None
Number of Employees: 11,192
Operating Revenue: $1,251,363
Income: $143,910 (b)
Net Income: $74,321
Foreign Operating Revenue: Insignificant
Foreign Income: Insignificant
Income Tax Rate: 42.5%
Regulation: SEC

Principal Underwriter(s)

S & DT–White, Weld & Co

Legal Counsel(s)

Sullivan & Cromwell, NY: fees for 1974–$359

Transportation Subsidiaries

El Paso Natural Gas Co (PG-CN)

Comments

Corporate Structure: In January 1974 Company was forced by court decree to divest itself of the Northwest Division of its subsidiary El Paso Natural Gas Co (ST). The divested properties were transferred to the Northwest Pipeline Corp (ST).

Capital Structure: In April 1976 Company issued 4,750,000 new shares of common stock.

New Ventures: Company has proposed a pipeline and maritime transportation system to transport natural gas from the Alaskan North Slope to the U.S. West Coast. This proposal is contending for FPC approval with 2 alternative proposals, the Alaskan Arctic Gas Pipeline Co (see NORTHERN NATURAL GAS CO) and the Northwest Pipeline Project (see NORTHWEST ENERGY CO). By law the FPC must submit its recommendations on the applicant and the route by July 1, 1977. The FPC staff has already recommended the Arctic Project. Company has proposed to build a coal gassification plant on a Navajo Indian reservation in northwestern New Mexico.

Joint Ventures: Company is presently engaged in a joint venture with COLUMBIA GAS SYSTEM INC, CONSOLIDATED NATURAL GAS CO and Southern Natural Gas Co (ST) to import Algerian liquified natural gas. Company has a 25-year contract with the Algerian national oil and gas company to purchase 1 billion cubic feet of gas per day starting in the second half of 1977.

Major Transactions: In 1975 Company reached an interim agreement with Standard Oil Co (Ohio) under which part of Company's pipeline system would transport Alaskan crude oil from California to Texas. In November 1976 a Company subsidiary contracted with the State of Alaska to buy 650 billion cubic feet of gas over a 20-year period. This represents 17% of the State's royalty reserves from the Alaskan North Slope. See also PACIFIC GAS & ELECTRIC CO, OGDEN CORP, TENNECO INC and TRANSCO COS INC.

Business Lines	Percent of Operating Revenue	Percent of Income
Natural Gas	65.8%	78.6%
Petrochemicals	13.3	52.4
Fibers	8.4	(6.2)
Textiles	8.3	(4.6)
Foreign Gas & Oil Exploration	0.0	(17.5)
Other	5.3	(2.7)
Intercorporate Sales	(1.1)	—

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	27,929,352	1	27,929,352	121,331

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. First National City Bank El Paso Co Emps Savings Plan/Investment Committee (1149298)	1,155,695	4.14	1,285,024	-
2. Noel, William D & Family#	514,866F	1.84	514,866F	-
3. Richards, Ross W Morley, William H Estate (260733W)	260,733W	.93	260,733W	-
4. Glassell, Alfred C Jr#	231,954	.83	231,954	-
5. Northwestern Mutual Life Insurance Co	118,950	.42	118,950	-
6. Adams Express Co Petroleum Corp Of America (100000)	100,000	.35	100,000	-
7. American General Insurance Co< American General Capital Management Inc* Provident Fund For Income (90000)	90,000	.32	90,000	-
8. Kayser, Paul & Family Interests#	89,309E	.31	89,309E	-
9. Williams, C R & Family#	74,552A	.26	74,552A	-
10. Gulf & Western Industries Inc< Capital Life Insurance Co (10000) Emmco Insurance Co (20000) Excel Insurance Co (8000) Motor Vehicle Casualty Co (3000) Providence Washington Insurance Co (25100) York Insurance Co (3000)	69,100	.24	69,100	-
11. Dreyfus Corp* Dreyfus Third Century Fund (60000)	60,000	.21	60,000	-
12. Connecticut Mutual Life Insurance Co	54,015	.19	54,015	-
13. Arnold Bernard & Co Inc* Value Line Income Fund (50000)	50,000	.17	50,000	-
TOTALS	2,869,174	10.27%	2,998,503	

TOP 5 SHAREHOLDERS VOTE 8.17% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 9.69% OF THE STOCK.

EMERY AIR FREIGHT CORP

Wilton, CT 06897

Incorporated: Delaware
Fortune Rank: 37 T NRF
Assets: $64,171
Total Debt: None
Debt/Asset Ratio: –
Lease Commitments: $37,748
Number of Employees: 2,950
Operating Revenue: $213,310
Income: $22,590 (b)
Net Income: $12,544
Foreign Operating Revenue: 34.5%
Foreign Income: 31.2%
Income Tax Rate: 45%
Regulation: SEC, ICC, CAB

Principal Underwriter(s)

NA

Legal Counsel(s)

NA

Transportation Subsidiaries

None

Business Lines	Percent of Operating Revenue	Percent of Income
Air Freight Forwarding	95.7%	88.9%
Other	4.3	11.1

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	7,809,581	1	7,809,581	4,795

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Rowe Price (T) & Associates Inc*	496,200	6.35	496,200	-
Rowe Price (T) Growth Stock Fd (391200)				
Rowe Price New Horizons Fund (105000)				
2. Marlennan Corp<	358,600	4.59	358,600	-
Putnam Management Co*				
Putnam Growth Fund (100000)				
Putnam Investors Fund (158600)				
George Putnam Fund Of Boston (100000)				
3. Mellon Bank NA	285,200	3.65	408,400	-
4. Equitable Life Assurance Society Of The US	257,400	3.30	257,400	-
5. Rohde, Harvey L#	226,948E	2.91	226,948E	-
6. Chase Manhattan Bank NA	202,000	2.59	283,000	-
7. Bankers Trust Co	148,382	1.90	231,000	-
8. Fidelity Management & Research Co*	146,000	1.87	146,000	-
Fidelity Capital Fund (146000)				
9. Slater, Ellis D & Family#	127,210E	1.63	127,210E	-
10. Morgan Guaranty Trust Co	110,970	1.42	318,440	42,200
11. Boston Safe Deposit & Trust Co	101,600	1.30	104,900	-
Douglas T Johnston & Co Inc*				
Johnston Mutual Fund (79600)				
Beacon Investing Corp (3000)				
12. Snyder, Horatio J#	75,420E	.96	75,420E	-
13. Washington National Corp<	70,000	.89	70,000	-
Anchor Corp*				
Anchor Growth Fund (70000)				
14. Emery, John C Jr#	66,881E	.85	66,881E	-
15. Pennsylvania Public School Emps Retir Fund	47,700	.61	47,700	-
16. Morgan Guaranty Trust Co	45,000	.57	45,000	-
General Electric S & S Program (35000)				
Mutual Investment Fd Of Conn (10000)				
17. Scudder Stevens & Clark Co*	30,000	.38	30,000	-
Scudder Special Fund (30000)				
18. Mcnulty, James J#	29,546E	.37	29,546E	-
19. Keystone Custodian Funds Inc*	25,000	.32	25,000	-
Keystone Custodian Funds Ser S-2 (25000)				
20. Swiss Reinsurance Group<	23,900	.30	23,900	-
North American Reassurance Co (4000)				
North American Reinsurance Co (10000)				
Swiss Reinsurance Co (9900)				
21. Philadelphia National Bank	22,200	.28	22,200	-
22. International Bank<	21,886	.28	21,886	-
Union Trust Co Of DC (21886)				
23. Continental Illinois National Bank & Trust Co	19,512	.24	51,947	-

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
24. Capital Research & Management Co• New Perspective Fund (18600)	18,600	.23	18,600	-
25. Ford Family Group American Road Insurance Co (18000)	18,000	.23	18,000	-
26. Lehman Brothers Inc+ Lehman Corp (17500)	17,500	.22	17,500	-
27. Surdna Foundation	15,000	.19	15,000	-
28. First National Bank Of Denver	11,654	.14	16,754	-
29. First Pennsylvania Bank NA	11,368	.14	16,868	-
30. Harris Trust & Savings Bank	9,800	.12	39,000	-
31. First National Bank Of Chicago	5,000	.06	30,500	-
32. United States Trust Co	4,800X	.06	75,770X	-
33. Bank Of New York	-	-	522,730	-
34. First National City Bank	-	-	95,200	31,380
35. Manufacturers National Bank Of Detroit	-	-	30,000	-
36. Manufacturers Hanover Trust Co	-	-	-	226,700
37. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (75297)	-	-	-	75,297
38. Loeb Rhoades & Co+	-	-	-	18,546
39. Reynolds Securities Inc+	-	-	-	17,217
TOTALS	3,049,277	39.05%	4,363,500	

TOP 5 SHAREHOLDERS VOTE 20.80% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 30.21% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 34.84% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 36.80% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 38.08% OF THE STOCK.

EQUITABLE GAS CO

420 Blvd. of the Allies, Pittsburgh, PA 15219

Incorporated: Pennsylvania
Fortune Rank: –
Assets: $256,484
Total Debt: $127,201
Debt/Asset Ratio: 49.6%
Lease Commitments: None
Number of Employees: 2,286
Operating Revenue: $123,489
Income: $20,807 (a)
Net Income: $12,919
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 32.9%
Regulation: SEC, FPC

Principal Underwriter(s)

DT–First Boston Corp

Legal Counsel(s)

Reed, Smith, Shaw & McClay, PA: fees for 1974–$13

Transportation Subsidiaries

None

Comments

Joint Ventures: A drilling program is planned in West Virginia with a subsidiary of EXXON CORP.

Major Transactions: Approximately 66% of Company's gas is supplied by TEXAS EASTERN TRANSMISSION CORP and TENNECO INC.

Business Lines		Percent of Operating Revenue	Percent of Income
Natural Gas:	residential	46.0%	NA
	commercial	18.2	NA
	industrial	23.4	NA
	other gas utilities	2.5	NA
Extracted Natural Gas Liquids		4.8	NA
Heating & Cooling Services		1.6	NA
Other		3.5	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	2,582,656	1	2,582,656	17,635

EQUITABLE GAS CO

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. American Express Co<	31,000	1.20	31,000	-
American Automobile Insurance Co (8000)				
Associated Indemnity Corp (8000)				
Fireman'S Insurance Co (15000)				
2. General Accident Fire & Life Insur (England)	28,500	1.10	28,500	-
Potomac Insurance Co (28500)				
3. Continental Corp<	20,000	.77	20,000	-
Continental Insurance Co (10000)				
Fidelity & Casualty Co Of New York (10000)				
4. Pittsburgh National Bank	19,111	.73	20,945	-
5. First Pennsylvania Bank NA	10,466	.40	27,261	1,173
6. Mellon Bank NA	10,239	.39	10,339	-
7. Zurich Insurance Co (Switzerland)	6,000	.23	6,000	-
Zurich Life Insurance Co (6000)				
8. Girard Trust Bank	-	-	-	49,902
9. Merrill Lynch & Co<	-	-	-	29,232
Merrill Lynch Pierce Fenner & Sm+ (29232)				
TOTALS	125,316	4.85%	144,045	

TOP 5 SHAREHOLDERS VOTE 4.22% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 4.85% OF THE STOCK.

EXPLORER PIPELINE CO

P.O. Box 2650, Tulsa, OK 74101

Incorporated: Delaware
Fortune Rank: –
Assets: $211,333
Total Debt: $204,323
Debt/Asset Ratio: 96.7%
Lease Commitments: None
Number of Employees: 200
Operating Revenue: $25,120
Income: $10,989 (a)
Net Income: ($5,342)
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: None
Regulation: ICC

Principal Underwriter(s)

NA

Legal Counsel(s)

NA

Transportation Subsidiaries

None

Control

Shell Oil Co† (26.00%); GULF OIL CORP† (16.69%); TEXACO INC (15.97%); MARATHON OIL CO (10.00%); SUN OIL CO (9.40%); CONTINENTAL OIL CO (7.71%); CITIES SERVICE CO (6.80%); PHILLIPS PETROLEUM CO† (4.52%); APCO Oil Corp (2.92%).

Business Lines	Percent of Operating Revenue	Percent of Income
Oil Pipeline	100%	100%

Stock Structure (Private)

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	21,920	1	21,920	9

EXXON CORP

1251 Ave. of the Americas, New York, NY 10020

Incorporated: New Jersey
Fortune Rank: 1
Assets: $31,332,440
Total Debt: $4,780,792
Debt/Asset Ratio: 15.3%
Lease Commitments: $1,385,000
Number of Employees: 133,000
Operating Revenue: $42,061,841
Income: NA
Net Income: $3,142,000
Foreign Operating Revenue: NA
Foreign Income: 61.4%
Income Tax Rate: 33.5%
Regulation: SEC

Principal Underwriter(s)

S & DT–Morgan Stanley & Co

Legal Counsel(s)

Arnold & Porter, DC: fees for 1974–NA

Transportation Subsidiaries

Exxon Pipeline Co (PO-CN)
Plantation Pipe Line Co (PO-UN)

Comments

Corporate Structure: In February 1976 Company and its 3 co-venturers agreed to sell their aggregate 40% interest in Aramco to the Saudi Arabian government. Aramco accounts for the bulk of Saudi Arabia's oil output. Company owns the second largest coal reserves in the United States. Company's other transportation operations include the largest private shipping fleet in the United States. Company's ocean-going oil tankers total a deadweight tonnage of 26,420,000. It has approximately 184 tankers operating under foreign flags.

Capital Structure: In May 1976 Company effected a 2-for-1 split of its common stock.

Joint Ventures: Exxon Pipeline Co (ST) is a participant in Alyeska Pipeline Service Co (see ATLANTIC RICHFIELD CO) and Seadock Inc (see CITIES SERVICE CO). See also COLUMBIA GAS SYSTEM INC and EQUITABLE GAS CO.

Major Transactions: In 1975 Company was the 19th largest defense contractor with over $330 million in revenues from military contracts. See AMERICAN NATURAL GAS CO, INTERPROVINCIAL PIPE LINE LTD, OGDEN CORP and CHICAGO & NORTH WESTERN TRANSPORTATION CO.

Legal Proceedings: In 1976 the Federal Energy Administration accused Company of illegally overcharging the military $29 million.

Payments Disclosure: In 1975 Company admitted making $46 million in political contributions and unauthorized payments in Italy between 1963-71 and additional payments in three other countries between 1963-75. The SEC is pursuing its investigation of these payments and the involvement of Company's management.

Business Lines	Percent of Operating Revenue	Percent of Income
Petroleum Products	70.2%	84.0%
Crude Oil	18.9	
Natural Gas	2.0	
Other Petroleum & Natural Gas Op.	2.4	
Chemical Products	6.2	14.6
Other	0.3	1.4

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (3-1-75)
Capital	223,645,078	1	223,645,078	706,335

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Exxon Corp Thrift Plans	5,319,702	2.38	5,319,702	-
Participants/Internal Trustees (3730554)				
Participants (1589148)				
2. Rockefeller Family Interests	4,402,313	1.97	4,402,313	-
Rockefeller Foundation (1576700)				
Rockefeller Brothers Fund (320000)				
Descendants Of John D Jr (2355613)				
Rockefeller University (150000)				
3. Chase Manhattan Bk NA	3,715,000	1.66	6,356,000	-
4. Alleghany Corp (PT)	1,977,400	.88	1,977,400	-
IDS Life Insur Co (2000)				
Investors Diversified Services Inc*				
Investors Mutual (600000)				
Investors Stock Fd (1200000)				
Investors Variable Payment Fd (175400)				
5. Morgan Guaranty Tr Co	1,892,147	.84	3,399,389	-
6. First National City Bk (NY)	1,891,503	.84	2,376,996	-
7. First National Bk Of Boston	1,794,700	.80	1,893,300	-
8. Manufacturers Hanover Trust Co	1,698,154	.75	2,167,117	-
Bank Fiduciary (Equity) Fd (8000)				
9. Mellon Bank NA	1,255,850	.56	1,434,090	-
10. Harris Trust & Savings Bk (Ill)	1,193,600	.53	1,487,617	-
11. Continental Illinois Bk & Tr Co Of Chicago	1,163,087	.52	1,354,377	-

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
12. Prudential Insur Co Of Am< (1120000)	1,150,000	.51	1,150,000	-
Prudential Fd Mngt Canada Ltd*				
Prudential'S Gibraltar Fund (3000)				
13. Provident National Bk (Penn)	1,146.724	.51	1,297,117	-
14. First National Bk Of Chicago	1,135,884	.50	1,376,739	-
15. Bankers Trust Co	1,118,000	.49	2,023,000	-
16. Chemical Bank	1,118,000	.49	1,592,000	-
17. Bank Of America NTSA	994,288	.44	1,051,077	-
18. Union National Bk Of Pittsburgh	867,692	.38	964,840	-
19. United States Trust Company	858,160X	.38	2,851,434X	-
20. National Bank Of Detroit	837,077	.37	919,804	-
21. Boston Safe Deposit & Tr Co	767,541	.34	818,697	61,362
22. Capital Research & Mngt Co*	744,000	.33	744,000	-
American Mutual Fd (109000)				
Investment Co Of Am (435000)				
Washington Mutual Investors Fd (155000)				
New Perspective Fd (30000)				
Income Fd Of Am (15000)				
23. Equitable Life Assur Society Of The US	669,000	.29	669,000	-
24. Pittsburgh National Bk	652,132	.29	673,678	-
25. Continental Investment Corp<	651,300	.29	651,300	-
United Funds Mngt Corp*				
United Accumulative Fd Ltd (19000)				
United Accumulative Retir Fd (3000)				
United American Fd (1000)				
John P Chase Inc*				
Chase Special Fd Of Boston (5000)				
Income & Capital Shares (6000)				
Shareholders Tr Of Boston (20000)				
Waddell & Reed Inc*				
Continental Fiduciary Shares (200)				
United Accumulative Fd (195000)				
United Continental Growth Fd (23000)				
United Continental Income Fd (17800)				
United Income Fd (261300)				
United Science Fd (100000)				
26. Massachusetts Financial Services Inc*	573,620	.25	573,620	-
Massachusetts Income Devel Fd (20500)				
Massachusetts Investors Tr (553120)				
27. INA Corp<	540,053	.24	540,053	-
Insur Co Of North Am (535053)				
Life Insur Co Of North Am (2000)				
Pacific Employers Insur Co (3000)				
28. National City Bank Of Cleveland	539,498	.24	616,475	-
29. International Telephone & Telegraph Corp<	532,320	.23	532,320	-
Hartford Accident & Indemnity Co (139676)				
Hartford Casualty Insur Co (1640)				
Hartford Fire Insur Co (104614)				
Hartford Life Insur Co (5920)				
Hartford Var Annuity Life Insur (3000)				
New York Underwriters Insur Co (2103)				
Twin City Fire Insur Co (367)				
Hamilton Mngt Corp*				
Hamilton Fds (250000)				
Hamilton Income Fd (15000)				
Hamilton Growth Fd (10000)				
30. Continental Corp<	530,091	.23	530,091	-
Buckeye Union Insur Co (23920)				
Commercial Insur Co Of Newark (51084)				
Continental Insur Co (150)				
Firemen'S Insurance Co Of Newark (50035)				
Kansas City Fire & Marine Insur Co (1040)				
National Reinsur Corp (11838)				
Pacific Insur Co (392024)				
31. Texas Commerce Bk NA	526,742	.23	997,772	-
32. Wells Fargo Bank NA	518,005	.23	542,433	-
33. Security Pacific National Bank	512,750	.22	646,005	-
34. Ford Foundation	500,000C	.22	500,000C	-
35. Rhode Island Hospital Tr Nat Bk	480,404	.21	486,429	-
36. Mercantile Trust Co NA (St Louis)	479,300	.21	479,616	-

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
37. Dreyfus Corp*	466,358	.20	466,358	-
Dreyfus Fd (466358)				
38. Crocker Nat Bk	455,536	.20	550,000	-
39. Hartford National Bk & Tr Co	434,445	.19	453,305	-
40. Wellington Mngt Co*	425,000	.19	425,000	-
Wellington Fd (400000)				
Wellesley Income Fd (25000)				
41. Fidelity Mngt & Research Co*	413,756	.18	413,756	-
Congress Street Fd (11440)				
Fidelity Fd (151016)				
Fidelity Trend Fd (131300)				
Puritan Fd (120000)				
42. First City National Bk Of Houston	409,713	.18	424,907	-
43. California Employees' Retirement System	409,172F	.18	409,172F	-
44. New England Merchants Nat Bk	318,653	.14	644,249	-
45. First Pennsylvania Bank NA	231,365	.10	495,755	-
46. Mercantile-Safe Deposit & Trust Co	-	-	938,520	-
47. Marine Midland Banks Inc<	-	-	479,691	-
TOTALS	48,310,032	21.60%	61,096,512	

TOP 5 SHAREHOLDERS VOTE 7.74% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 11.24% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 13.80% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 15.89% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 17.44% OF THE STOCK.

FARRELL LINES INC

1 Whitehall St., New York, NY 10004

Incorporated: New York
Number of Employees: 800 (approx.)
Operating Revenue: $66,000

Principal Underwriter(s)

DT–White, Weld & Co

Transportation Subsidiaries

None

Control

No information available.

Comments

A privately-owned company for which no information is available except from published sources.

Corporate Structure: In 1975 Pacific Far East Lines Inc, a subsidiary of FREIGHTERS INC, agreed to sell 4 ships to Company together with the rights to its Australian trade route which produced $9.7 million in operating revenues in 1975.

Major Transactions: See OGDEN CORP.

FREIGHTERS INC

111 Sutter St., San Francisco, CA 94104

Regulation: FMC (Pacific Far East Lines Inc)

Transportation Subsidiaries

Pacific Far East Line Inc (WC)

Control

No information available.

Comments

A privately-owned company for which no information is available except from published sources.

Corporate Structure: See FARRELL LINES INC.

Major Transactions: See OGDEN CORP.

FRONTIER AIRLINES INC

8250 Smith Rd., Denver, CO 80207

Incorporated: Nevada
Fortune Rank: 44 T
Assets: $101,473
Total Debt: $31,468
Debt/Asset Ratio: 31%
Lease Commitments: $87,759
Number of Employees: 3,564
Operating Revenue: $153,038
Income: $14,304 (a)
Net Income: $9,386
Foreign Operating Revenue: Insignificant
Foreign Income: Insignificant
Income Tax Rate: 32%
Regulation: SEC, CAB

Principal Underwriter(s)

DT (1967)–Smith, Barney

Legal Counsel(s)

Morison, Murphy, Abrams & Haddock (Gen. Couns.), DC: fees for 1974–$172; Dawson, Nagel, Sherman & Howard, CO: fees for 1974–$50

Transportation Subsidiaries

None

Comments

Corporate Structure: See GENERAL TIRE & RUBBER CO.

Labor: Since 1971 a complaint by the Colorado Civil Rights Commission has been pending against Company charging it with discriminatory employment practices.

Legal Proceedings: See GENERAL TIRE & RUBBER CO.

Business Lines		Percent of Operating Revenue	Percent of Income
Airline:	passenger	83.3%	NA
	federal subsidy	7.4	NA
	mail & freight	5.2	NA
	other	4.1	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	4,647,651	1	4,647,651	11,502
CV Special Pref.	436,254	1	436,254	1,818
Total Votes Outstanding			5,083,905	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. General Tire & Rubber Co (PT) Rko General Inc (2527087)	2,527,087	49.71	2,527,087	-
2. Frye, F E	79,600	1.57	79,600	-
3. Dymond, Lewis W#	61,731	1.21	61,731	-
4. Ragsdale Family Interests	25,500B	.50	25,500B	-
5. Boston, Fred	25,266B	.49	25,266B	-
6. Stabler, Donald B	9,852B	.19	9,852B	-
7. Roederer, Mary Jo	9,400B	.18	9,400B	-
8. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (116399)	-	-	-	116,399
9. Pershing & Co Inc+	-	-	-	76,116
10. Walker (M S) & Co	-	-	-	65,700B
11. Paine Webber Jackson & Curtis Inc+	-	-	-	48,267
12. Hutton (E F) & Co+	-	-	-	44,907B
13. Bache Halsey Stuart Inc+	-	-	-	41,911B
14. Dean Witter & Co+	-	-	-	35,883B
15. Boettcher & Co+	-	-	-	34,216
16. Dupont Glore Forgan Inc+	-	-	-	21,754B
17. Thomson Mckinnon Auchincloss Kohlmeyer Inc+	-	-	-	20,821B
18. Edwards (A G) & Sons Inc+	-	-	-	19,066B
19. Royal Bank Of Canada	-	-	-	18,427B
20. Harris Upham & Co Inc+	-	-	-	15,641B
21. Manley Bennett Mcdonald & Co+	-	-	-	15,007B
22. Swiss Bank Corp	-	-	-	10,834B
23. Reynolds Securities Inc+	-	-	-	10,351B
24. Keith Hayes Kahle	-	-	-	10,218B
25. Hornblower & Weeks-Hemphill Noyes Inc+	-	-	-	10,025B
TOTALS	2,738,436	53.86%	2,738,436	

TOP 5 SHAREHOLDERS VOTE 53.49% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 53.86% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 53.86% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 53.86% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 53.86% OF THE STOCK.

FUQUA INDUSTRIES INC
3800 First National Bank Tower, Atlanta, GA 30303

Incorporated: Delaware
Fortune Rank: 316
Assets: $440,934
Total Debt: $220,597
Debt/Asset Ratio: 50%
Lease Commitments: $84,725
Number of Employees: 16,275
Operating Revenue: $271,700
Income: $23,800 (c)
Net Income: $9,556
Foreign Operating Revenue: Insignificant
Foreign Income: Insignificant
Income Tax Rate: 47.5%
Regulation: SEC, FCC

Principal Underwriter(s)
S (1973)–Bache, Halsey Stuart & Co

Legal Counsel(s)
Cravath, Swaine & Moore, NY: fees for 1973–NA

Transportation Subsidiaries
Interstate Motor Freight System (MF-CN)

Business Lines		Percent of Operating Revenue	Percent of Income
Recreation:	lawn & garden equipment	8.2%	22.3%
	sporting goods	8.4	9.2
	marine products	10.9	1.3
	entertainment	9.7	17.6
	photo finishing	6.6	4.2
Trucking		41.5	18.9
Land Sales & Mobile Home Constr.		14.9	26.5

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	8,550,780	1	8,550,780	16,282
1st Ser. Pref.	154,441	1	154,441	38
Total Votes Outstanding			8,705,221	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Fuqua, J B#	296,174H	3.40	296,174H	-
2. Wellington Management Co* Windsor Fund (270000)	270,000	3.10	270,000	-
3. Martin, E D	210,355	2.42	210,355	-
4. Smith, W R#	206,557	2.37	206,557	-
5. Continental Investment Corp< Waddell & Reed Inc* United Accumulative Fund (200000)	200,000	2.30	200,000	-
6. Trust Company Bank (Georgia) Fuqua Industries Emps St Pur Pl/566 Pcts (131874)	131,874	1.51	131,874	-
7. Haft, Burt S	95,226	1.09	95,226	-
8. Fuqua Industries Inc Emps Stock Purchase Plan	95,203H	1.09	95,203H	-
9. Pawly, John G#	59,752	.68	59,752	-
10. Western Bancorporation< First National Bank Of Arizona (47255)	47,255	.54	47,255	-
11. Chestnutt Corp* American Investors Fund Inc (36000)	36,000	.41	36,000	-
12. Integon Corp< Integon General Insurance Corp (6500) Integon Indemnity Corp (7000) Integon Investment Management Corp* Integon Growth Fund (21800)	35,300	.40	35,300	-
13. Standish Ayer & Wood Inc* Ivy Fund (30400)	30,400	.34	30,400	-
14. General American Life Insurance Co	17,572	.20	17,572	-
15. Citizens & Southern National Bank<	17,304	.19	20,897	-
16. Rohrs, Kenneth V#	16,699	.19	16,699	-
17. Chase Manhattan Bank NA	13,000	.14	16,000	-
18. Wachovia Bank & Trust Co NA	-	-	42,600	-
19. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (406301H)	-	-	-	406,301H
20. Hibernia National Bank In New Orleans	-	-	-	88,040
21. City National Bank Of Miami	-	-	-	86,227
TOTALS	1,778,671	20.43%	1,827,864	

TOP 5 SHAREHOLDERS VOTE 13.59% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 18.52% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 20.09% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 20.43% OF THE STOCK.

GARRETT FREIGHTLINES INC

2055 Garrett Way, Pocatello, ID 83201

Incorporated: Idaho
Fortune Rank: –
Assets: $47,961
Total Debt: $5,518
Debt/Asset Ratio: 11.5%
Lease Commitments: Insignificant
Number of Employees: 2,891
Operating Revenue: $90,977
Income: $5,823 (a)
Net Income: $3,724
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 50.2%
Regulation: SEC, ICC

Principal Underwriter(s) – NA

Legal Counsel(s) – NA

Transportation Subsidiaries – None

Comments

Changes in Corporate Control: See UNITED TRANSPORTATION INVESTMENT CO.

Business Lines	Percent of Operating Revenue	Percent of Income
Trucking	95.5%	97%
Freight Forwarding	4.5	3

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	808,757	1	808,757	664

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Garrett-Wallace Family Interests# Garrett Freightlines Voting Trust (465401) Garrett, Grace (4048)	469,449	58.05	469,449	-
2. United Transportation Investment Co (PT) Navajo Freight Lines Inc (216993) (PT)	216,993	26.83	216,993	-
3. Harmon, Isabel	31,994	3.96	31,994	-
4. Owens, Hollis W	5,557	.68	5,557	-
5. Bowditch, Ethel D & Associates	5,286	.65	5,286	-
6. Brown, Carl & Family	3,100	.38	3,100	-
7. Wilson, William J#	2,355	.29	2,355	-
8. Gillis, Howard & Family	2,000	.24	2,000	-
TOTALS	736,734	91.09%	736,734	

TOP 5 SHAREHOLDERS VOTE 90.17% OF THE STOCK.

GATES RUBBER CO

999 S. Broadway, Denver, CO 80209

Incorporated: Colorado
Number of Employees: 17,200 (approx.)
Operating Revenue: $700,000 (approx., 4-76)

Transportation Subsidiaries

IML Freight Inc (MF)

Control

No information available.

Comments

A privately-owned company for which no information is available except from published sources.

Corporate Structure: As of 1976, according to *Forbes*, Company was the 19th largest privately-owned company in the United States, with 50% of its $700 million in revenues coming from its rubber operations. It also manufactures plastic products and aircraft (through its 65% interest in Gates Learjet Corp, $172 million in sales), and operates a trucking company, a cattle ranch, an automated egg farm and a mutual fund management company, Financial Programs Inc, with assets in 1969 exceeding $550 million.

Business Lines	Percent of Operating Revenue	Percent of Income
Rubber	50.0%	NA
Aircraft	24.6	NA
Trucking	14.6	NA
Other	10.8	NA

GATEWAY TRANSPORTATION CO INC

455 Park Plaza Dr., La Crosse, WI 54601

Incorporated: Wisconsin
Fortune Rank: –
Assets: $62,895
Total Debt: $23,491
Debt/Asset Ratio: 37.3%
Lease Commitments: $594
Number of Employees: 3,400
Operating Revenue: $103,009
Income: $2,578(a)
Net Income: $1,260
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 38.6%
Regulation: SEC, ICC

Principal Underwriter(s)

S (1965)–Blyth Eastman Dillon

Legal Counsel(s)

Johns, Flaherty, Harman & Gilette (Gen. Couns.), ID: fees for 1974–NA

Transportation Subsidiaries

None

Business Lines	Percent of Operating Revenue	Percent of Income
Trucking	90%+	90%+

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	1,367,010	1	1,367,010	3,189

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Murphy, W Leo Family Interests#	563,667	41.23	563,667	-
Murphy, W Leo Estate (193422)				
Murphy, Eugene ~~W &~~ Family (218250)				
Murphy, John A (81878)				
Murphy, Michael P (53117)				
Murphy, John D (17000)				
2. Uihlein Family Group#	52,800	3.86	52,800	-
Uihlein, Robert A Jr & Family (52800)				
3. Bartoletta, Catherine	14,662	1.07	14,662	-
4. Hurtgen, Mary M	12,523	.91	12,523	-
5. Smaby, James R#	7,062	.51	7,062	-
6. Johns, Robert D#	5,500	.40	5,500	-
7. Redell, Charles L#	3,200E	.23	3,200E	-
8. Merrill Lynch & Co Inc<	-	-	-	78,731
Merrill Lynch Pierce Fenner & Sm+ (78731)				
9. First Wisconsin Corp<	-	-	-	3,850
First Wisconsin Trust Co				
TOTALS	659,414	48.24%	659,414	

TOP 5 SHAREHOLDERS VOTE 47.60% OF THE STOCK.

GATX CORP

120 S. Riverside Plz., Chicago, IL 60606

Incorporated: New York
Fortune Rank: 330
Assets: $1,202,515
Total Debt: $554,325
Debt/Asset Ratio: 46.1%
Lease Commitments: NA
Number of Employees: 11,000
Operating Revenue: $785,496 *
Income: $87,522 (b)
Net Income: $57,441
Foreign Operating Revenue: 16% (excluding ocean shipping)
Foreign Income: 14% (excluding ocean shipping)
Income Tax Rate: 34.5%
Regulation: SEC

Principal Underwriter(s)

DT–Kuhn, Loeb & Co

Legal Counsel(s)

Sonnenschein, Carlin, Nath & Rosenthal, IL: fees for 1974–$190

Transportation Subsidiaries

Marine Transport Lines Inc (WC-UN)
American Steamship Co (WC-CN)

Comments

Corporate Structure: In April 1975 Company changed its name from General American Transportation Corp to GATX CORP.

Company owns approximately 84% of La Salle National Bank (Chicago) with 1975 assets of $758 million. It must divest itself of its controlling interest by 1980. Company is also the second largest U.S. lessor of railroad freight cars.

Business Lines	Percent of Operating Revenue *	Percent of Income
Leasing of Railroad Equipment	28.4%	54.0%
Terminals	4.2	8.9
Ocean Shipping	11.2	4.3
Great Lakes Shipping	5.8	4.8
Industrial Equipment Manufacturing	30.3	24.1
Financial Services	14.5	7.7
Other	5.6	(3.8)

* Operating Revenue accounts for all majority-owned subsidiaries.

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (3-1-75)
Common	11,900,763	1	11,900,763	15,094
$2.50 CU CV Pfd.	585,595	1	585,595	1,188
Total Votes Outstanding			12,486,358	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. First National Bank Of Chicago	545,666	4.37	624,791	-
2. Wellington Management Co*	442,900F	3.55	442,900F	-
Wellington Fund Inc (400000F)				
Exeter Fund (42900F)				
3. Northwestern National Bank Of Minneapolis	286,244	2.29	296,933	-
4. First National Bank Of Allentown (Penn)	264,670	2.12	264,670	-
5. Pittsburgh National Bank	257,811	2.06	258,856	-
6. Equitable Life Assurance Society Of The US	248,500	1.99	248,500	-
7. Walter E Heller International Corp<	218,800	1.75	235,355	-
American Natl Bk & Tr Co-Chicago (104684)				
Gatx Salaried Emps Savings Plan (130671)				
8. Mercantile Trust Co NA (St Louis)	203,710	1.63	205,210	-
9. Crocker National Bank	158,710	1.27	162,131	-
10. Kemper Family Group	143,800	1.15	143,800	-
American Manufacturers Mutual Insur (7700)				
American Motorists Insurance Co (5600)				
Economy Fire & Casualty Co (3000)				
Iowa Kemper Insurance Co (1000)				
Kemper Reinsurance Co (9000)				
Lumbermens Mutual Casualty Co (12500)				
Supervised Investors Services Inc*				
Technology Fund Inc (75000)				
Supervised Investors Growth Fd (30000)				
11. Continental Corp<	135,000	1.08	135,000	-
Buckeye Union Insurance Co (65800)				
Commercial Insurance Co Of Newark (15000)				
Firemen'S Insurance Co Of Newark (54200)				
12. Pollock Family Interests	117,088	.93	117,088	-
Pollock, William B Ii (50470)				
Marsteller, Mary Pollock Estate (39261)				
Pollock Family Members (27357)				

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
13. Boatman'S National Bank Of St Louis	77,324	.61	79,789	-
14. Cornell University	77,000F	.61	77,000F	-
15. Texas, University Of	66,200	.53	66,200	-
16. Manufacturers National Bank Of Detroit	60,980	.48	108,180	-
17. Security Pacific National Bank	60,414	.48	67,736	-
18. Continental Illinois National Bank & Trust Co	60,315	.48	94,267	-
19. City Investing Co< Home Insurance Co (60000)	60,000	.48	60,000	-
20. Texas Teacher Retirement System	60,000G	.48	60,000G	-
21. Liberty Mutual Insurance Co (50000) Liberty Mutual Fire Insurance Co (9000)	59,000	.47	59,000	-
22. State Street Research & Management Co* Federal Street Fund Inc (54748F)	54,748F	.43	54,748F	-
23. American General Insurance Co< American General Capital Management Inc* Enterprise Fund Inc (50000F)	50,000F	.40	50,000F	-
24. David L Babson & Co Inc* David L Babson Investment Fund (48000F)'	48,000F	.38	48,000F	-
25. First National Bank Of Birmingham	47,787	.38	54,197	-
26. First National Bank Of Toledo	44,901	.35	44,901	-
27. Huntington National Bank Of Columbus (Ohio)	40,841	.32	48,521	-
28. Hartford National Bank & Trust Co	40,555	.32	50,555	-
29. Standard Shares Inc	40,000F	.32	40,000F	-
30. United States Trust Co	35,802X	.28	64,717X	-
31. First National Exchange Bank Of Virginia	35,425	.28	35,525	-
32. St Paul Companies Inc< St Paul Fire & Marine Insurance Co (31400)	31,400	.25	31,400	-
33. Morgan Guaranty Trust Co	30,000	.24	31,100	-
34. Western Bancorporation< First National Bank Of Arizona (29548)	29,548	.23	29,548	-
35. Commercial National Bank Of Peoria	29,045	.23	29,945	-
36. Canada Life Assurance Co	28,000	.22	28,000	-
37. Republic National Bank Of Dallas	26,519	.21	26,519	-
38. Colorado National Bank	25,255	.20	28,555	-
39. National Life Insurance Co National Life Investment Management Co* Sentinel Growth Fund Inc (13000F) Sentinel Trustees Fund Inc (11000F)	24,000F	.19	24,000F	-
40. Commercial Union Corp< American Employers Insurance Co (4500) Commercial Union Insurance Co (12300) Employers' Surplus Lines Insur Co (6200)	23,000	.18	23,000	-
41. Marine National Exchange Bank Of Milwaukee	13,870	.11	32,770	-
42. Harris Trust & Savings Bank (Chicago)	10,276	.08	45,417	-
43. New England Merchants National Bank	7,165	.05	39,140	-
44. Chase Manhattan Bank NA	2,000	.01	63,000	-
45. Gatx Corp< (PT) La Salle National Bank-Chicago (28088)	-	-	28,088	-
TOTALS	4,322,269	34.62%	4,759,052	

TOP 5 SHAREHOLDERS VOTE 14.39% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 22.19% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 25.98% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 28.39% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 30.47% OF THE STOCK.

GENERAL TIRE & RUBBER CO

1 General St., Akron, OH 44329

Incorporated: Ohio
Fortune Rank: 115
Assets: $1,472,326
Total Debt: $415,674
Debt/Asset Ratio: 28.2%
Lease Commitments: $49,634
Number of Employees: 39,000
Operating Revenue: $1,726,199
Income: $107,392 (b)
Net Income: $78,113
Foreign Operating Revenue: 21.7% (approx.)
Foreign Income: 12.6% (approx.)
Income Tax Rate: 32%
Regulation: SEC, FCC

Principal Underwriter(s)

S & DT—Kidder, Peabody & Co

Legal Counsel(s)

Sullivan & Cromwell, NY: fees for 1974 - $204

Transportation Subsidiaries

FRONTIER AIRLINES INC (AL-UN)

Comments

Corporate Structure: RKO General Inc, the wholly owned subsidiary through which Company owns FRONTIER AIRLINES INC, is consolidated in Company's financial statements on an equity basis only (see also "Payments Disclosure").

Major Transactions: In November 1975 Company's subsidiary, Chemical Construction Corp, was replaced by Bechtel International Inc as the contractor of a $327 million liquified natural gas plant for the Algerian state-owned oil and gas company, Sonatrach. Company had allegedly defaulted on the contract. This plant is part of an overall plan to bring gas in special tankers to the United States (see EL PASO CO and TENNECO INC). In 1975 Company was the 37th largest defense contractor, with almost $169 million in revenues from military contracts.

Legal Proceedings: See FRONTIER AIRLINES INC.

Payments Disclosure: In May 1976 the SEC charged Company with making illegal domestic political contributions and over $1 million in overseas bribes, paying "gratuities" to U.S. government officials, violating U.S. foreign currency laws and maintaining secret slush funds. The SEC charged that foreign bribes were made in Chile, Morocco and other countries. The FTC is investigating possible antitrust violations related to the Moroccan payoffs which allegedly prevented a U.S. competitor from entering the Moroccan tire market. As a consequence of Company's illegal financial activity, a Boston group has petitioned the FCC not to renew Company's TV license in the Boston area, and the Algerian Government has brought a suit against Company charging it with making payoffs to obtain a natural gas construction contract in Algeria (see "Major Transactions"). Due to the challenge to its TV license, Company decided in September 1976 to sell its media subsidiary, RKO General Inc, to its shareholders, subject to FCC and SEC approval.

Business Lines	Percent of Operating Revenue	Percent of Income
Tires & Related Products	35.9%	21.1%
Plastics & Similar Products	22.1	26.7
Aerospace Division	36.1	37.6
Other	5.8	9.2
Equity in Foreign Earnings	—	5.4

Stock Structure

Class	Shares Outstanding (2-3-75)	Votes per Share	Total Votes per Class	Stockholders of Record (2-3-75)
Common	21,100,864	1	21,100,864	52,148
CU Pref.	109,386	1	109,386	1,008
Total Votes Outstanding			21,210,250	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. O'Neil Family Interests* O'Neil, John & Associates (411476) O'Neil, M G & Family Interests (385171) O'Neil, Thomas F M & Fam Interests (301286) O'Neil, Family & Associates (653964) O'Neil (W) Foundation (295305) General Tire Foundation (51356)	2,098,558	9.89	2,098,558	-
2. First National Bank Of Akron General Tire & Rubber Emps Profit Sharing & Savings Plans (1048989)	1,343,713	6.34	1,460,036	-
3. Dreyfus Corp* Dreyfus Fund Inc (858692)	858,692	4.05	858,692	-
4. Lord Abbett & Co* Affiliated Fund Inc (688877)	688,877	3.25	688,877	-
5. Fidelity Management & Research Co* Puritan Fund Inc (364000)	364,000	1.72	364,000	-
6. Wellington Management Co* Windsor Fund Inc (286526) Gemini Fund Inc (24586)	311,112	1.47	311,112	-
7. Penn Square Management Corp* Penn Square Mutual Fund (215000)	215,000	1.01	215,000	-
8. Aetna Life & Casualty Co Aetna Variable Annuity Life Insur (188995)	188,995	.89	188,995	-

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
9. Massachusetts Financial Services Inc* Mass Income Development Fund Inc (104040)	104,040	.49	104,040	-
10. Bank Of America NTSA	72,724	.34	75,574	-
11. Penn Mutual Life Insurance Co (66588) Penn Mutual Equity Fund Inc (2081)	68,669	.32	68,669	-
12. Neuberger & Berman+ Cedar Street Consultant Inc* Energy Fund Inc (50000)	50,000	.23	50,000	-
13. Columbia University	42,767F	.20	42,767F	-
14. Chase Manhattan Bank NA	24,000	.11	55,000	-
15. United States Trust Co	-	-	48,405X	-
16. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (1091941)	-	-	-	1,091,941
17. Salomon Brothers+	-	-	-	278,787
TOTALS	6,431,147	30.32%	6,629,725	

TOP 5 SHAREHOLDERS VOTE 25.24% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 29.45% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 30.32% OF THE STOCK.

GREYHOUND CORP

Greyhound Tower, Phoenix, AZ 85077

Incorporated: Delaware
Fortune Rank: 45
Assets: $1,357,328
Total Debt: $408,205
Debt/Asset Ratio: 30.1%
Lease Commitments: $195,525
Number of Employees: 54,482
Operating Revenue: $3,469,281
Income: $68,166 (e)
Net Income: $57,955
Foreign Operating Revenue: None
Foreign Income: 9.4%
Income Tax Rate: 48.2%
Regulation: SEC, ICC

Principal Underwriter(s)

DT–Goldman, Sachs & Co

Legal Counsel(s)

McCutchen, Doyle, Brown & Enersen, CA: fees for 1974–$124

Transportation Subsidiaries

Greyhound Lines Inc (MP-CN)

Comments

Corporate Structure: In 1975 Company acquired Vermont Transit Co Inc, a New England intercity bus operator with $5.6 million in 1974 operating revenues, and agreed to acquire 2 smaller intercity bus operators.

Major Transactions: In September 1974 Company concluded an interline agreement with NATIONAL RR PASSENGER CORP which will permit the parties to sell connecting travel tickets through each others' lines. In 1975 Company's Support Services Group was granted a $50 million contract to provide lodging and food services to 5,000 workers along a portion of the Alaska oil pipeline. Company's food services operations are heavily dependent on the automobile industry, and General Motors Corp accounts for over one-third of this group's volume. General Motors is also Company's sole supplier of motor buses. As of 1976 Company's leasing subsidiary, which leases jet aircraft, railroad cars and locomotives, ocean-going vessels and other industrial equipment, received the major part of its revenues from aircraft leased to EASTERN AIR LINES INC and TRANS WORLD AIRLINES INC.

Payments Disclosure: In July 1976 Company disclosed that its meat packing subsidiary, Armour & Co, had made $1.8 million in questionable foreign payments between 1973-76.

Business Lines	Percent of Operating Revenue	Percent of Income
Bus Transportation	19.4%	55.4%
Food	64.4	13.8
Consumer Products & Pharmaceuticals	10.3	22.0
Leasing	2.1	15.1
Services	4.4	16.0
Food Services	3.7	3.2
Corporate & Other	0.1	(16.7)
Less Unconsolidated Subsidiaries, Intercompany Transactions & Minority Int.	(4.3)	(8.9)

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	42,202,578	1	42,202,578	166,197
2nd CU Pref.	4,225	1	4,225	90
Total Votes Outstanding			42,206,803	

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Washington National Corp< Anchor Corp• Fundamental Investors Inc (500000)	500,000	1.18	500,000	-
2. Continental Illinois National Bank & Trust Co	415,146	.98	430,566	-
3. Richmond-Washington Co< Richmond, Fredericksburg & Potomac Railroad Co (269322)	269,322	.63	269,322	-
4. N L T Corp< National Life & Accident Insur Co (230000)	230,000	.54	230,000	-
5. Delaware Management Co• Decatur Income Fund Inc (200000)	200,000	.47	200,000	-
6. Gates Rubber Co< (PT) Financial Programs Inc• Financial Industrial Income Fund (170000)	170,000	.40	170,000	-
7. National Securities & Research Corp• Natl Securities Fd-Dividend Fd (100000)	100,000	.23	100,000	-
8. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (2414695)	-	-	-	2,414,695
9. Bache Halsey Stuart Inc+	-	-	-	324,726
10. Paine Webber Jackson & Curtis Inc+	-	-	-	241,310
11. Hutton (E F) & Co Inc+	-	-	-	195,259
12. Dean Witter & Co+	-	-	-	175,099
TOTALS	1,884,463	4.46%	1,899,888	

TOP 5 SHAREHOLDERS VOTE 3.83% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 4.46% OF THE STOCK.

GULF OIL CORP

Gulf Bldg., Pittsburgh, PA 15230

Incorporated: Pennsylvania
Fortune Rank: 7
Assets: $12,503,000
Total Debt: $1,657,000
Debt/Asset Ratio: 13.3%
Lease Commitments: $583,000
Number of Employees: 52,700
Operating Revenue: $17,952,000
Income: NA
Net Income: $1,065,000
Foreign Operating Revenue: 59.4%
Foreign Income: 62.3%
Income Tax Rate: 1.6%
Regulation: SEC

Principal Underwriter(s)

S & DT–First Boston Corp

Legal Counsel(s)

Reed, Smith, Shaw & McClay, PA: fees for 1973–NA;
McCarthy & McCarthy, Toronto, Canada: fees for 1974–$50

Transportation Subsidiaries

Gulf Refining Co (PO-CN)

Comments

Corporate Structure: In December 1975 the Government of Kuwait nationalized Company's 20% interest in operations in that country, and the Venezuelan Government nationalized all of Company's Venezuelan operations. In September 1976 Ecuador threatened to nationalize Company's assets unless it paid its debts to the government. In retaliation Company withdrew from its joint venture with TEXACO INC and the state-owned oil company in January 1977. This joint venture produces the bulk of Ecuador's oil production. Company's other transportation operations include a fleet of 88 ocean-going tankers (57 owned, of which 34 are under foreign flags, and 31 chartered), with a total deadweight tonnage of 8,183,000. Company also operates 26 smaller vessels on the Great Lakes and inland waterways. Company owns 922 railroad tank cars and leases an additional 2,970.

Joint Ventures: Company is a participant in Seadock Inc (see CITIES SERVICE CO) and in the Alaskan Arctic Gas Pipeline Co (see NORTHERN NATURAL GAS CO). See also ROYAL DUTCH/SHELL GROUP.

Major Transactions: Since 1963 Company has maintained an agreement with HOLIDAY INNS INC to coordinate the location of Holiday Inns and Gulf service stations, cooperate in advertising and use the Gulf Travel Card for Holiday Inn services. In 1975 Company was the 71st largest defense contractor with over $79 million in revenues from military contracts.

Labor: In July 1976 Company agreed to pay $935,000 to 640 minority and female employees at one of its Texas refineries as part of a settlement of discrimination charges brought against Company by the Equal Employment Opportunity Commission, the Department of Interior and the Department of Labor.

Legal Proceedings: As of December 1975, 6 antitrust suits were pending against Company and legal proceedings were still developing out of a 1973 FTC complaint against Company and 7 other oil firms which accused them of combining to monopolize crude oil refining. See TEXAS EASTERN TRANSMISSION CORP.

Payments Disclosure: In 1975 Company admitted to making $12.3 million in illegal domestic and foreign political contributions, including $4 million to South Korean political parties between 1966-70, and consented to a court judgement which enjoined it from making similar contributions in the future. In July 1976 Company's former chief Washington lobbyist, Claude Wild, Jr., pleaded guilty to a misdemeanor charge of helping to channel an illegal political contribution from Company to President Richard Nixon's reelection campaign. Approximately 25 Senators as well as dozens of Representatives received contributions from Company, allegedly including Senator Robert Dole, the 1976 Republican Vice-presidential candidate, who was reported to have received in 1973 between $5,000 and $6,000. In September Company tentatively agreed to a settlement of stockholder claims arising from Company's illegal political slush fund. The settlement would require 6 former executives to pay back $4 million to Company in stock, stock options and cash. In July a federal grand jury brought the first in a series of indictments of IRS personnel based on an investigation of Company gratuities paid to them. In November Company disputed a claim by a controversial South Korean businessman, Park Tong Sun, that it had paid him $1 million a month for unspecified business services.

Environment: Company is a defendant in several environmental pollution cases.

Business Lines	Percent of Operating Revenue	Percent of Income
Petroleum	94.6%	95.2%
Chemicals	5.0	16.5
Nuclear, Minerals & Other	0.4	(11.7)

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (2-13-75)
Capital	194,676,388	1	194,676,388	376,088

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Mellon Family Interests#	19,854,256	10.20	19,854,256	-
Mellon (Andrew W) Foundation (10213709)				
Mellon, Richard K Family Trusts (4417459)				
Mellon (Richard King) Foundation (1985268)				
Scaife (Sarah) Foundation (2145834)				
May, Cordelia S (1013343)				
Laurel Foundation (76647)				
Pearson, Nathan W (2010)				
2. Mellon Bank NA	8,225,101	4.23	23,536,944	-
Gulf Oil Savings Stock Bonus Pl (1419037)				
3. Pittsburgh National Bank	2,780,487	1.43	2,869,849	-
4. National Bank Of Detroit	1,490,299	.76	1,603,017	-
5. Warren (William K) Foundation	1,245,782H	.63	1,245,782H	-
6. Ford Foundation	1,100,000C	.56	1,100,000C	-
7. Continental Corp<	904,234	.46	904,234	-
Buckeye Union Insurance Co (60000)				
Commercial Insurance Co Of Newark (553627)				
Fidelity & Casualty Co Of New York (77173)				
Kansas City Fire & Marine Insurance (3374)				
Natl-Ben Franklin Insur Co Of Ill (154200)				
National Reinsurance Corp (19160)				
Niagra Fire Insurance Co (36700)				
8. Lord Abbett & Co*	795,000	.40	795,000	-
Affiliated Fund Inc (750000)				
American Business Shares Inc (45000)				
9. Harvard University	689,289B	.35	689,289B	-
10. Massachusetts Financial Services Inc*	680,000	.34	680,000	-
Massachusetts Investors Trust (400000)				
Mass Income Development Fund Inc (280000)				
11. Union National Bank Of Pittsburgh	598,376	.30	764,251	-
12. Provident National Bank (Penn)	512,389	.26	612,315	-
13. Hartford National Bank & Trust Co	463,649	.23	464,819	-
14. International Telephone & Telegraph Corp<	452,700	.23	452,700	-
Hartford Accident & Indemnity Co (205000)				
Hartford Casualty Insurance Co (2200)				
Hartford Fire Insurance Co (210400)				
Hartford Life Insurance Co (14700)				
New York Underwriters Insurance Co (4500)				
Pacific Insurance Co Ltd (11400)				
Twin City Fire Insurance Co (4500)				
15. New York State Teachers' Retirement System	438,136	.22	438,136	-
16. Capital Research & Management Co*	437,740	.22	437,740	-
American Mutual Fund Inc (117740)				
Washington Mutual Investors Fund (250000)				
Income Fund Of America Inc (70000)				
17. First National Bank Of Boston	384,000	.19	424,100	-

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
18. Alleghany Corp< (PT) Investors Diversified Services Inc* Investors Mutual Inc (355000)	355,000	.18	355,000	-
19. Fidelity Management & Research Co* Fidelity Fund (125000· Puritan Fund (200000)	325,000	.16	325,000	-
20. Crown, Henry Family Interests	300,000	.15	300,000	-
21. Morgan Guaranty Trust Co	284,811	.14	449,744	-
22. United States Trust Co	238,343X	.12	729,644X	-
23. Chase Manhattan Bank,NA	195,000	.10	453,000	-
24. Chemical Bank	194,676	.09	465,000	-
TOTALS	42,944,272	22.06%	50,308,192	

TOP 5 SHAREHOLDERS VOTE 17.26% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 19.40% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 20.66% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 21.59% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 22.06% OF THE STOCK.

HOLIDAY INNS INC

3742 Lamar Ave., Memphis, TN 38118

Incorporated: Tennessee
Fortune Rank: 206 NRF
Assets: $961,112
Total Debt: $371,739
Debt/Asset Ratio: 38.7%
Lease Commitments: $184,739
Number of Employees: 44,100
Operating Revenue: $986,090
Income: $57,458 (b)
Net Income: $32,641
Foreign Operating Revenue: 7.1%
Foreign Income: (12.6%)
Income Tax Rate: 43.2%
Regulation: SEC, FMC (Delta Steamship Lines Inc)

Principal Underwriter(s)

S & DT–Smith, Barney; Merrill Lynch

Legal Counsel(s)

Cadwalader, Wickersham & Taft, NY: fees for 1974–$429

Transportation Subsidiaries

Continental Trailways Inc (MP-CN)
Delta Steamship Lines Inc (WC-CN)

Comments

Corporate Structure: In August 1975 Company adopted a plan to divest all its manufacturing operations, including food processing. Company is the world's largest hotel-motel chain. Together with its franchisees it operates 1,700 inns in all 50 U.S. states and 45 other countries.

Changes in Corporate Control: In April 1976 Walkem Development Co, a real estate joint venture between Company Chairman Kemmons Wilson and Vice-chairman Wallace E. Johnson, sold 1,130,000 of the Company shares which it held, reducing its holdings in Company from 5.7% to 2.3%.

Major Transactions: Continental Trailways system's buses are manufactured to Company specifications by Overseas Inns SA under a contract which expires in 1979. Overseas, a Luxembourg company, is 18.3% owned by M.E. Moore, former Company director, and his associates. Overseas also operates Holiday Inn franchises in Luxembourg, Belgium and Germany. See GULF OIL CORP.

Labor: Bus drivers of Safeway Trails Inc, a wholly-owned subsidiary of Continental Trailways Inc (ST), have been on strike since 1972, although Company reestablished service on most of the struck routes by 1974. Five of Company's bus operators were struck for 18 days in the second quarter of 1976.

Legal Proceedings: In February 1974 a court decision upheld certain antitrust claims against Company by American Motor Inns Inc in regard to its hotel licensing arrangements. A similar antitrust suit against Company by a licensee went to trial in June 1975.

Business Lines	Percent of Operating Revenue	Percent of Income
Food & Lodging	50.9%	52.0%
Travel & Bus Transportation	28.5	57.4
Prod. for Hotels, Restaurants & Other Institutional Markets	20.2	19.9
Other	0.5	(29.3)

Stock Structure

Class	Shares Outstanding (1-3-75)	Votes per Share	Total Votes per Class	Stockholders of Record (2-28-75)
Common	29,516,511	1	29,516,511	44,601
Special–Ser. A	688,842	¾	516,632	2,828
Total Votes Outstanding			30,033,143	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Wilson-Johnson-Mccool Interests# Wilson, Kemmons & Family (750484) Johnson, Wallace E & Family (805028) Mccool, E B (283085) Walkem Development Co Inc (1672976)	3,511,573	11.69	3,511,573	-
2. California Employees' Retirement Systems	879,100F	2.93	879,100F	-
3. Winegardner, Roy E Family Interests#	810,368	2.70	810,368	-
4. Rowe Price (T) & Associates Inc* Rowe Price (T) Growth Stock Fund (540000)	540,000	1.80	540,000	-
5. National Bank Of Commerce (Memphis, Tenn)	429,075	1.43	429,705	-
6. Seligman (J & W) & Co+ Union Service Corp* National Investors Corp (325000)	325,000	1.08	325,000	-
7. First National Bank Of Boston	285,200	.94	286,100	-
8. National City Bank Of Cleveland	277,975	.92	336,998	-
9. INA Corp< Insurance Co Of North America (250000)	250,000	.83	250,000	-
10. Mutual Life Insurance Co Of NY (205900) Mony Advisers Inc* Mony Fund Inc (5200)	211,000	.70	211,000	-
11. Elfun Trusts	210,000	.69	210,000	-
12. First National Bank Of Memphis	185,879	.61	186,286	-
13. Manufacturers National Bank Of Detroit	181,429	.60	250,330	-
14. Texas Teacher Retirement System	156,800G	.52	156,800G	-
15. Massachusetts Financial Services Inc* Massachusetts Investors Trust (145000)	145,000	.48	145,000	-
16. Delaware Management Co Inc* Delaware Fund Inc (130000)	130,000	.43	130,000	-
17. Lile, R A Family Interests#	127,617	.42	127,617	-
18. Central National Bank Of Cleveland	121,171	.40	121,171	-
19. Walton, William B & Family#	113,004	.37	113,004	-
20. Royal Insurance Co Ltd-England (11100) American & Foreign Insurance Co (6375) British & Foreign Marine Insurance (3100) Globe Indemnity Co (21950) Liverpool & London & Globe Insur (11125) London & Lancashire Insurance Co Ltd (2000) Newark Insurance Co (8000) Royal Indemnity Co (16650) Safeguard Insurance Co (7100)	87,400	.29	87,400	-
21. Lehman Brothers Inc+ Lehman Corp (75000)	75,000	.24	75,000	-
22. Princeton University	74,953	.24	74,953	-
23. Wells Fargo Bank NA	73,050	.24	78,550	-
24. Mercantile Trust Co NA (St Louis)	64,129	.21	65,629	-
25. Nationwide Corp< Nationwide Life Insurance Co (7500) Nationwide Mutual Fire Insurance Co (7600) Nationwide Mutual Insurance Co (45000) West Coast Life Insurance Co (4000)	64,100	.21	64,100	-
26. N L T Corp< National Life & Accident Insur Co (63100)	63,100	.21	63,100	-
27. United States Trust Co	63,040X	.20	72,894X	-
TOTALS	9,454,963	31.48%	9,601,678	

TOP 5 SHAREHOLDERS VOTE 20.54% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 25.04% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 27.96% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 29.89% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 31.06% OF THE STOCK.

IC INDUSTRIES INC

1 Illinois Ctr., 111 E. Wacker Dr., Chicago, IL 60601

Incorporated: Delaware
Fortune Rank: 145
Assets: $2,198,595
Total Debt: $651,296
Debt/Asset Ratio: 29.6%
Lease Commitments: $140,896
Number of Employees: 41,491
Operating Revenue: $1,402,870
Income: $97,871 (b)
Net Income: $60,055
Foreign Operating Revenue: NA
Foreign Income: NA
Income Tax Rate: 30%
Regulation: SEC

Principal Underwriter(s)

DT–Salomon Brothers

Legal Counsel(s)

Sidley & Austin, IL: fees for 1974–NA; Cravath, Swaine & Moore, NY: fees for 1974–NA

Transportation Subsidiaries

Illinois Central Gulf RR Co (RR-CN)

Comments

Corporate Structure: In 1975 Company changed its name from Illinois Central Industries Inc.

Business Lines	Percent of Operating Revenue	Percent of Income
Commercial Products	34.7%	50.3%
Consumer Products	17.3	13.0
Real Estate	2.8	14.0
Financial Services	3.7	4.3
Transportation	41.6	18.4

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	13,215,876	1	13,215,876	18,581
Ser. A Pfd.	461,295	1½	691,943	3,777
Ser. 1 Pfd.	3,474,022	1½	5,211,033	21,319
Total Votes Outstanding			19,118,852	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Seattle-First National Bank Union Pacific Corp-PT (716440)	716,440	3.75	716,500	-
2. Western Bancorporation< United California Bank Union Pacific Corp-PT (716440)	716,440	3.75	716,440	-
3. United States Trust Co Union Pacific Corp-PT (716439)	716,439	3.75	716,439	-
4. First National Bank Of Chicago	704,103	3.68	864,180	341,653A
5. Sherman, Nathan H & Beatrice G	535,311A	2.80	535,311A	-
6. Alleghany Corp< (PT) Investors Stock Fund (500000)	500,000	2.62	500,000	-
7. American Financial Corp< American Empire Insurance Co (188550) Great American Life Insurance Co (141375)	329,925	1.73	329,925	-
8. Continental Illinois National Bank & Trust Co	317,281	1.66	324,238	-
9. Fidelity Management & Research Co* Fidelity Fund (235000)	235,000	1.23	235,000	-
10. Wellington Management Co* Windsor Fund (223600)	223,600	1.17	223,600	-
11. Bentsen Family Interests Bentsen, Lloyd M & Edna Ruth (84839A) Bentsen, Elmer C (75932A)	160,771A	.84	160,771A	-
12. Continental Investment Corp< John P Chase Inc* Chase Convertable Fd Of Boston (60000) Shareholders Trust Of Boston (90000)	150,000	.78	150,000	-
13. Sears Roebuck & Co< Allstate Insurance Co (122500)	122,500	.64	122,500	-
14. Aetna Life & Casualty Co Aetna Life Insurance Co (120700)	120,700	.63	120,700	-
15. Ford Foundation	110,000C	.57	110,000C	-
16. INA Corp< Insurance Co Of North America (107700) Blyth Eastman Dillon & Co+ (19261A)	107,700	.56	107,700	19,261A
17. First National Bank Of Birmingham	104,030	.54	114,830	-
18. Warshawsky, Sarka	84,878A	.44	84,878A	-
19. Johnson, William B & Family#	80,037	.41	80,037	-

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
20. Stovall, R C Sr Estate	72,214A	.37	72,214A	-
21. Delaware Management Co Inc* Delaware Fund (71250)	71,250	.37	71,250	-
22. Seidner, Bette Lou	67,260A	.35	67,260A	-
23. Biggs, Robert W	63,790A	.33	63,790A	-
24. Calvin Bullock Ltd* Bullock Fund (60000)	60,000	.31	60,000	-
25. Central National Bank (Cleveland)	58,557	.30	58,665	-
26. Marlennan Corp< Putnam Management Co* Putnam Convertable Fund (21000) Putnam Income Fund (36150)	57,150	.29	57,150	-
27. Walter E Heller International Corp< American Natl Bk & Tr Co-Chicago (250043)	47,293	.24	250,043	-
28. Morgan Guaranty Trust Co	47,000	.24	47,000	-
29. Chase Manhattan Bank NA	5,000	.02	66,500	-
30. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (432366A)	-	-	-	432,366A
31. Manufacturers Hanover Trust Co	-	-	-	219,856A
32. Commercial Trust Co Ltd	-	-	-	75,000A
33. Kidder Peabody & Co Inc+	-	-	-	68,353A
34. Hornblower & Weeks-Hemphill Noyes Inc+	-	-	-	59,744A
35. Paine Webber Jackson & Curtis Inc+	-	-	-	53,020A
36. Hutton (E F) & Co Inc+	-	-	-	44,028A
TOTALS	6,584,669	34.44%	7,026,921	

TOP 5 SHAREHOLDERS VOTE 17.12% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 26.12% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 29.60% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 31.94% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 33.62% OF THE STOCK.

INTERPROVINCIAL PIPE LINE LTD

7 King St. E., Toronto, Ontario M5C 1A2, Canada

Incorporated: Canada
Fortune Rank: –
Assets: $617,222
Total Debt: $316,060
Debt/Asset Ratio: 51.2%
Lease Commitments: None
Number of Employees: 751
Operating Revenue: $195,018
Income: $76,152 (b)
Net Income: $35,585
Foreign Operating Revenue: –
Foreign Income: –
Income Tax Rate: –
Regulation: SEC

Principal Underwriter(s)

S & DT–Wood Gundy Securities

Legal Counsel(s)—NA

Transportation Subsidiaries

Lakehead Pipe Line Co Inc (PO-CN)

Comments

Corporate Structure: Company operates the only crude oil pipeline running from the oil fields of Canada's Prairie Provinces to eastern markets.

Joint Ventures: In November 1976 Company and 7 co-venturers announced plans to build a 760-mile pipeline from British Columbia to Alberta at a cost of $500 million. The 7 partners are CONTINENTAL OIL CO, a subsidiary of EXXON CORP, Ashland Oil Inc, Husky Oil Ltd, Koch Industries Inc, Murphy Oil Co, Hudson's Bay Bay Oil & Gas Co (51%-owned by CONTINENTAL OIL CO), and Union Central Exchange Inc.

Major Transactions: Shipments by the Canadian subsidiaries of Shell Oil Co and GULF OIL CORP, Imperial Oil Ltd (controlled by EXXON CORP), Ashland Oil Inc, Dome Petroleum Ltd, SUN OIL CO and MOBIL OIL CORP accounted for approximately 60% of Company's 1974 revenues.

Business Lines	Percent of Operating Revenue	Percent of Income
Transportation	98.9%	NA
Other	1.1	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	25,573,335	1	25,573,335	20,423

INTERPROVINCIAL PIPE LINE LTD

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Exxon Corp (PT)	8,400,000	32.85	8,400,000	-
Imperial Oil Ltd-Canada (8400000)				
2. Gulf Oil Corp (PT)	1,790,133	7.00	1,790,133	-
Gulf Oil Canada Ltd (1790133)				
3. Royal Dutch/Shell Group< (PT)	511,467	2.00	511,467	-
Shell Canada Ltd (511467)				
4. Calvin Bullock Ltd*	300,000	1.17	300,000	-
Canadian Fund (60000)				
Canadian Investment Fund (240000)				
5. Power Corp-Investors Group Of Canada<	284,975	1.11	284,975	-
Investors Securities Management Ltd*				
Investors Group Pld Pn Tr Fd 'B' (56550)				
Investors Growth Fd Of Canada (3800)				
Investors Mutual Of Canada (90300)				
Investors Retir Fd Of Canada (93325)				
Provident Stock Fd (7000)				
Montreal Trust Co				
Montreal Trust Multiple Pn Fd (24000)				
Montreal Trust Retir Savings Plan (10000)				
6. Royal Trust Co (Canada)	112,300	.43	112,300	-
Canadian Medical Assn Retir (42000)				
Royal Trust Managed Fd 'C' (35000)				
Royal Trust Pld Pn Corporate Fd (35300)				
7. Harvard University	84,462	.33	84,462	-
8. London Life Insurance Co (Canada)	81,225	.31	81,225	-
9. Canadian General Investments Ltd*	80,000	.31	80,000	-
10. Mutual Life Assurance Co Of Canada	79,450	.31	79,450	-
11. New England Merchants National Bank	60,150	.23	60,150	-
12. Canada Life Assurance Co	52,000	.20	52,000	-
TOTALS	11,836,162	46.28%	11,836,162	

TOP 5 SHAREHOLDERS VOTE 44.13% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 45.84% OF THE STOCK.

ITEL CORP

1 Embarcadero Ctr., San Francisco, CA 94111

Incorporated: Delaware
Fortune Rank: 767 NRF
Assets: $366,100
Total Debt: $260,900
Debt/Asset Ratio: 71.3%
Lease Commitments: $29,200
Number of Employees: 1,500
Operating Revenue: $143,500
Income: $18,800 (b)
Net Income: $9,700
Foreign Operating Revenue: NA

Foreign Income: NA
Income Tax Rate: 48.3%
Regulation: SEC

Principal Underwriter(s)

S & DT (1971)–duPont Glore Forgan

Legal Counsel(s)

Brobeck, Phleger & Harrison (Gen. Couns.), San Francisco, CA: fees for 1974–NA; Mudge, Rose, Guthrie & Alexander, NY: fees for 1974–$286

Transportation Subsidiaries

SSI Container Corp (WC-CN)
SSI Navigation Inc (WC-CN)

Comments

Corporate Structure: Company's Transportation Services Group is primarily engaged in the leasing of maritime cargo containers and the chartering of vessels to commercial shippers. In 1975 Company began leasing railroad equipment.

Business Lines	Percent of Operating Revenue	Percent of Income
Transportation	23.6%	54.3%
Financial Services	10.0	17.6
Data Processing Equipment	52.5	50.0
Data Processing Services	12.1	10.1
Insurance Services	1.7	0.0
Corporate Expenses	–	(31.9)

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	7,556,197	1	7,556,197	8,829

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. American Express Co< Fireman'S Fund Insurance Co (2000000) Fireman'S Fund Am Life Insur Co (20000) Rexport Inc (101081)	2,121,081	28.07	2,121,081	-
2. Redfield, Peter S & Family#	96,625E	1.28	96,625E	-
3. Leslie, C R#	79,912	1.06	79,912	-
4. Friedman, Gary B & Family#	75,525E	.99	75,525E	-
5. Aetna Life & Casualty Co	67,671	.89	67,671	-
6. Hall, Roderick C M#	16,222E	.21	16,222E	-
TOTALS	2,457,036	32.52%	2,457,036	

TOP 5 SHAREHOLDERS VOTE 32.30% OF THE STOCK.

IU INTERNATIONAL CORP

1500 Walnut St., Philadelphia, PA 19102

Incorporated: Maryland
Fortune Rank: 98 NRF
Assets: $1,998,315
Total Debt: $829,876
Debt/Asset Ratio: 41.5%
Lease Commitments: $102,725
Number of Employees: 43,000
Operating Revenue: $2,001,035
Income: $137,246 (a)
Net Income: $90,482
Foreign Operating Revenue: 23%
Foreign Income: 75%
Income Tax Rate: 33.3%
Regulation: SEC

Principal Underwriter(s)

NA

Legal Counsel(s)

Wender, Murase & White, NY: fees for 1974–$157; Drinker, Biddle & Reath, PA: fees for 1974–$77

Transportation Subsidiaries

Gotaas-Larsen Shipping Corp (WC-CN)
Pacific Intermountain Express Co (MF-CN)
Ryder Truck Lines Inc (MF-CN)

Comments

Corporate Structure: In 1976 the ICC announced an investigation into Company's control of Ryder Truck Lines Inc (ST). In July Ryder acquired a portion of bankrupt ASSOCIATED TRANSPORT INC's operating rights. In 1976 Company had on order 5 liquified natural gas tankers and 6 other vessels, including 1 oil tanker. Company's agribusiness operations consist of a 53% interest in C Brewer & Co Ltd, one of the largest U.S. producers of raw sugar and the leading U.S. producer of macadamia nuts. See also AIRBORNE FREIGHT CORP.

Environment: Company is currently facing 5 separate charges for water pollution and 1 for air pollution in Hawaii, Florida and Illinois. Company has agreed on corrective measures in 3 of these cases.

Business Lines	Percent of Operating Revenue	Percent of Income
Transportation: trucking	18.9%	8.7%
maritime	9.3	32.9
distribution services	24.4	11.0
Agribusiness	16.1	13.6
Electric & Gas Services	7.1	11.2
Energy Systems	7.5	9.7
Waste & Water Mngt. Serv., Other	16.7	12.9

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (2-17-75)
Common	27,440,257	1	27,440,257	31,415
Pref. Ser. A CV	1,748,370	2	3,496,740	2,604
$1.25 CV Pfd.	815,540	2	1,631,080	4,247
$5 Pfd.	89,542	2	179,084	1,296
Total Votes Outstanding			32,747,161	

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Alleghany Corp< (PT) Investors Diversified Services Inc* Investors Mutual (500000) Investors Variable Payment Fd (800000)	1,300,000	3.97	1,300,000	-
2. First National Bank Of Boston	1,173,400	3.58	1,209,200	-

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
3. Larsen, H Ingens#	499,168E	1.52	499,168E	-
4. INA Corp<	336,100	1.03	336,100	-
Insur Co Of North Am (250000)				
INA Life Insur Co NY (6000)				
Life Insur Co Of North Am (27000)				
Pacific Employers Insur Co (20000)				
Philadelphia Investment Co*				
INA Investment Securities Inc (33100)				
5. American General Insur Co<	302,000	.92	302,000	-
Am Gen Life Insur Co Del (18000)				
Am Gen Life Insur Co Okla (10000)				
Am Gen Life Insur Co Tex (25000)				
Life & Casualty Insur Co Tenn (20000)				
Maryland Casualty Co (120000)				
Variable Annuity Life Insur Co (109000)				
6. First National Bank Of Minneapolis	228,728	.69	247,828	-
7. Boatman'S National Bank Of St Louis	212,800	.64	212,800	-
8. Security Benefit Life Insur Co<	179,700	.54	179,700	-
Security Mngt Co Inc*				
Security Equity Fd (179700)				
9. Reliance Group Inc<	170,000	.51	170,000	-
Reliance Insur Co (165000)				
Reliance Standard Life Insur Co (5000)				
10. Guardian Capital Group Ltd< (Canada)	154,900E	.47	154,900E	-
Mutual Fds Mngt Corp Of Canada Ltd*				
Guardian Enterprise Fund (19400E)				
Guardian Pn Fd-Eq Section (66500E)				
Mutual Accumulating Fd (69000E)				
11. Franklin Resources Inc<	133,000	.40	133,000	-
Franklin Research Inc*				
Research Equity Fd Inc (133000)				
12. Manufacturers Life Insur Co	116,500	.35	116,500	-
13. Canada Trust Co*	113,000B	.34	113,000B	-
Canada Tr Pooled Pn Fd-Eq (3000)				
Canada Tr Investment Fd-Eq (40000)				
Canada Tr Pn Am Eq Fd (70000B)				
14. Provident Life & Accident Insur Co	103,700	.31	103,700	-
15. United Services Automobile Assn (67000)	91,000	.27	91,000	-
USAA Fd Mngt Co*				
USAA Capital Growth Fd (24000)				
16. Pennsylvania, University Of	87,020	.26	87,020	-
17. Seabrook, John H#	85,684E	.26	85,684E	-
18. Starr (C V)-American International Group<	80,000	.24	80,000	-
Am Home Assur Co (3000)				
Am Internl Insur Co (800)				
Insur Co The State Of Penn (8000)				
New Hampshire Insur Co (68200)				
19. National Securities & Research Corp*	80,000	.24	80,000	-
Natl Securities Fd-Income (80000)				
20. Phillips Hager & North Ltd* (Canada)	78,000	.23	78,000	-
NW Growth Fd (60000)				
Phillips Hager & North Fd (18000)				
21. Rhode Island Hospital Tr National Bank	70,513	.21	70,513	-
22. Wender, Ira T#	69,434E	.21	69,434E	-
23. SAFECO Corp<	69,360	.21	69,360	-
Pacific Northwest Mngt & Research Co*				
SAFECO Equity Fd (37500)				
SAFECO Western Fd (1860)				
SAFECO Investment Mngt Corp*				
SAFECO Growth Fd (30000)				
24. Teachers Insur & Annuity Assn Of Am	68,900	.21	68,900	-
25. Triarch Corp Ltd* (Canada)	65,600C	.20	65,600C	-
Toronto & London Invest Co (65600C)				
26. Penn Mutual Life Insur Co (60200)	61,800	.18	61,800	-
Penn Mutual Equity Fd (1600)				
27. Swiss Reinsur Group<	60,500	.18	60,500	-
North Am Reassur Co (7000)				
North Am Reinsur Co (38500)				
Swiss Reinsur Co (15000)				

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
28. Power Corp-Investors Group Of Canada< Great-West Life Assur Co (51500) Imperial Life Assur Co Canada (8000)	59,500	.18	59,500	-
29. First Pennsylvania Bank NA	47,386	.14	81,152	-
30. Provident National Bank	-	-	347,226	-
TOTALS	6,098,193	18.62%	6,533,585	

TOP 5 SHAREHOLDERS VOTE 11.03% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 13.92% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 15.62% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 16.87% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 17.92% OF THE STOCK.

JET AIR FREIGHT

900 W. Florence Ave., Inglewood, CA 90301

Incorporated: California
Fortune Rank: –
Assets: $10,303
Total Debt: $1,942
Debt/Asset Ratio: 18.8%
Lease Commitments: $940
Number of Employees: 500 (approx.)
Operating Revenue: $51,879
Income: $12 (b)
Net Income: ($1)
Foreign Operating Revenue: 45.1%
Foreign Income: NA
Income Tax Rate: (250%)
Regulation: SEC, ICC, CAB

Principal Underwriter(s)

S (1967)–McDonnell & Co

Legal Counsel(s)

Frieman, Rosenfeld & Zimmerman (Gen. Couns.), CA: fees for 1974–$27

Transportation Subsidiaries—None

Comments

Corporate Structure: In September 1975 AIR EXPRESS INTERNATIONAL CORP announced negotiations to acquire Company. In January 1976 Company filed for reorganization under Chapter XI of the Federal Bankruptcy Act. In October Company received a provisional court confirmation of a plan to emerge from bankruptcy proceedings after resolving a procedural snag.

Business Lines		Percent of Operating Revenue	Percent of Income
Air Freight Forwarding:	domestic	41.1%	NA
	international	45.1	NA
Customs Brokerage		5.2	NA
Ocean Freight Brokerage		6.3	NA
Other		2.3	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	681,311	1	681,311	893

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Miles, Gerow F#	121,522	17.84	121,522	-
2. Wagner, Julius#	76,775	11.27	76,775	-
3. Loeb, John L & Family Interests (51336B) Loeb Rhoades & Co+ (20125B)	51,336B	7.53	51,336B	20,125B
4. Moldave, Gertrude#	46,443	6.82	46,443	-
5. Kreps, Sidney#	42,300	6.21	42,300	-
6. Rossini, Joseph J#	10,033B	1.47	10,033B	-
7. Stag, Ben#	10,000B	1.47	10,000B	-
8. Greef, Ernest I#	6,000	.88	6,000	-
9. Rakocy, Joseph W#	4,000	.58	4,000	-
10. Loughitano, Martin#	1,870	.27	1,870	-
11. Henry, Edward A#	1,400	.20	1,400	-
12. Dupont Glore Forgan Inc+	-	-	-	21,650B
13. Chase Manhattan Bk NA	-	-	-	14,800B
14. Paine Webber Jackson & Curtis Inc+	-	-	-	11,773B
TOTALS	371,679	54.55%	371,679	

TOP 5 SHAREHOLDERS VOTE 49.67% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 54.35% OF THE STOCK.

KANSAS CITY SOUTHERN INDUSTRIES INC

114 W. 11th St., Kansas City, MO 64105

Incorporated: Delaware
Fortune Rank: 39 T
Assets: $293,338
Total Debt: $106,936
Debt/Asset Ratio: 36.5%
Lease Commitments: $57,716
Number of Employees: 3,800
Operating Revenue: $167,555
Income: NA
Net Income: $5,595
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 6.1%
Regulation: SEC, FCC

Principal Underwriter(s)

DT (railroad)—Salomon Brothers

Legal Counsel(s)

NA

Transportation Subsidiaries

Kansas City Southern Ry Co (RR-CN)

Business Lines	Percent of Operating Revenue	Percent of Income
Transportation	80.4%	29.5%
Data Processing Services	3.4	3.1
Real Estate	1.9	11.1
Communications	1.8	3.1
Manufacturing	5.3	11.4
Interest, Dividends & Other	7.2	44.1
Minority Interest	—	(2.3)

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	1,518,658	1	1,518,658	3,953
Pfd.	289,080	1	289,080	1,084
Total Votes Outstanding			1,807,738	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Kemper Family Group#	122,900	6.80	122,900	-
Kemper, R Crosby (56600)				
Kemper Realty Co (2000)				
Supervised Investors Services Inc*				
Supervised Investors Gwth Fd Inc (50900)				
Supervised Investors Summit Fd (13400)				
2. Deramus, William N III & Family#	94,744	5.24	94,744	-
3. Equitable Life Assur Society Of The US	62,500	3.46	62,500	-
4. Ford Foundation	55,000	3.04	55,000	-
5. Delk Investment Corp	34,000	1.88	34,000	-
6. United Missouri Bank Of Kansas City NA	33,500	1.85	33,500	-
7. Couch Family Interests#	32,040	1.77	32,040	-
Couch, Kirk & Family (1040)				
Columbia Corp (28000)				
Lee National Life Insurance Co (3000)				
8. Commerce Bank Of Kansas City NA	29,004	1.60	29,004	-
9. Bakery & Confectionary Union & Industry Pn Fd	22,800	1.26	22,800	-
10. Douthat, Edward M & Family Interests#	17,402	.96	17,402	-
11. Dreyfus Corp*	16,000	.88	16,000	-
Dreyfus Fund (16000)				
12. Pan-Holding SA (Luxembourg)	13,800	.76	13,800	-
13. Beaird, J Pat#	10,500	.58	10,500	-
14. Moore, Edwin#	6,202	.34	6,202	-
15. Central Life Assurance Co (Des Moines)	6,000	.33	6,000	-
16. Hambros Ltd (England)	6,000	.33	6,000	-
Hambros Investment Management Ltd*				
Hambros Investment Trust Ltd (6000)				
17. American Family Corp<	5,300	.29	5,300	-
American Family Life Insurance Co (1000)				
American Family Mutual Insurance Co (3300)				
American Standard Insur Co-Wisconsin (1000)				
18. Bammes, Raymond P#	4,000	.22	4,000	-
TOTALS	571,692	31.62%	571,692	

TOP 5 SHAREHOLDERS VOTE 20.42% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 27.87% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 30.78% OF THE STOCK.

KIRBY INDUSTRIES INC

First City National Bank Bldg., Houston, TX 77002

Incorporated: Nevada
Fortune Rank: –
Assets: $104,184
Total Debt: $36,588
Debt/Asset Ratio: 35.1%
Lease Commitments: $5,391
Number of Employees: 1,748
Operating Revenue: $97,474*
Income: $9,553* (b)
Net Income: $6,512
Foreign Operating Revenue: Insignificant
Foreign Income: Insignificant
Income Tax Rate: 34.3%
Regulation: SEC

Principal Underwriter(s)

NA

Legal Counsel(s)

Jenkens & Gilchrist, TX: fees for 1974–$89; Melendez & Suarez, PR: fees for 1976–NA

Transportation Subsidiaries

Chemical Towing Co (WC-CN)
Dixie Carriers Inc (WC-CN)

Comments

Corporate Structure: In 1975 Company announced plans for complete liquidation. In June 1975 it sold two major subsidiaries: Kirby Building Systems Inc and Kirby Petroleum Co. In August 1976 Company issued stock for Kirby Exploration Co and Caribbean Finance Co Inc which will be distributed to Company stockholders. Kirby Exploration Co became the new parent of Dixie Carriers Inc and Chemical Towing Co, Company's two water carriers. Company plans to either sell its remaining subsidiary, Financial Credit Corp, or distribute its stock to Company stockholders. When a Liquidating Trust is established in October 1976 Company stockholders will be asked to surrender their stock and will be entitled to distributions from the Trust.

Major Transactions: In 1974 a subsidiary of STANDARD OIL CO (INDIANA) purchased 31% of Company's oil production, and Allied Chemical Corp and Mountain Fuel Supply Co (the 32nd largest interstate gas pipeline) purchased 16% and 23% respectively of Company's gas production. In 1974 17% of Dixie Carrier Inc's (ST) revenues were derived from a contract with Shell Oil Co.

Business Lines	Percent of Operating Revenue*	Percent of Income*
Oil & Gas Sales & Royalties	12%	41%
Marine Transp. & Shipyard Revenues	47	34
Financial Services	12	11
Building Systems	27	11
Other	2	3

*Includes 2 finance companies

NOTE: All financial data listed above as of 7-31-74.

Stock Structure

Class	Shares Outstanding (9-27-74)	Votes per Share	Total Votes per Class	Stockholders of Record (6-31-74)
Common	1,567,153	1	1,567,153	2,469
Ser. A Pfd.	8,411	1	8,411	4
Total Votes Outstanding			1,575,564	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Murchison Family Interests#	438,492	27.83	438,492	-
2. Axe (E W) & Co Inc*	210,200	13.34	210,200	-
Axe-Houghton Fund A (35000)				
Axe-Houghton Fund B (55000)				
Axe-Houghton Stock Fund (120200)				
3. Peterkin, George A Jr & Family#	29,622	1.88	29,622	-
4. Montgomery, Jeff#	19,200	1.22	19,200	-
5. Neuhaus, Vernon F#	15,690	.99	15,690	-
TOTALS	713,204	45.27%	713,204	

TOP 5 SHAREHOLDERS VOTE 45.27% OF THE STOCK.

LEASEWAY TRANSPORTATION CORP

21111 Chagrin Blvd., Cleveland, OH 44122

Incorporated: Delaware
Fortune Rank: 23 T
Assets: $421,758
Total Debt: $257,564
Debt/Asset Ratio: 61.6%
Lease Commitments: None
Number of Employees: 14,000
Operating Revenue: $474,556
Income: $28,741 (b)
Net Income: $18,089
Foreign Operating Revenue: None
Foreign Income: None

Income Tax Rate: 34%
Regulation: SEC

Principal Underwriter(s)

S (1972)–Merrill Lynch; CBWL-Hayden Stone

Legal Counsel(s)–NA

Transportation Subsidiaries

Anchor Motor Freight Inc (MF-CN)
Signal Delivery Service Inc (MF-CN)

Comments

Corporate Structure: Company has over 150 operating subsidiaries in motor vehicle transportation and leasing.

Major Transactions: Signal Delivery Service Inc (ST) serves primarily Sears Roebuck & Co (which has a 20% interest in Signal) in the Midwest, East and Southeast. In addition Signal serves Whirlpool Corp in the Midwest. If either contract is cancelled, Sears and/or Whirlpool is required to purchase all motor vehicles used in the cancelled operations. Anchor Motor Freight Inc is devoted exclusively to hauling automobiles for General Motors Corp throughout states east of the Mississippi River and to and from Canada. Company subsidiaries are also the exclusive carriers of bulk and packaged cement for Lehigh Portland Cement Co.

Business Lines	Percent of Operating Revenue	Percent of Income
Specialized Trucking Services	65.7%	36.1%
Leasing of Trucking Equipment, Maintenance & Warehousing	34.3	63.9

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (3-7-75)
Common	7,160,749	1	7,160,749	4,036

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. O'Neill Family Interests* O'Neil, F J (832329E) O'Neil, Hugh (183611E) O'Neil, W J (443183E) O'Neil, W J Jr (124713E) O'Neil Family As00c&Ate0 (419841E)	2,003,677E	27.98	2,003,677E	-
2. Society National Bank Of Cleveland	544,490	7.60	544,490	-
3. Capital Research & Management Co* Investment Co Of America (315744)	315,744	4.41	315,744	-
4. Rowe Price (T) & Associates Inc* Rowe Price New Horizons Fund Inc (302087)	302,067	4.22	302,087	-
5. Los Angeles County Emps' Retir Association	286,000	3.99	286,000	-
6. Alleghany Corp* (PT) Investors Diversified Services Inc* Investors Mutual Inc (224973)	224,973	3.14	224,973	-
7. Common Fund	65,000F	.90	65,000F	-
8. Oppenheimer & Co* Oppenheimer Management Corp* Oppenheimer A I M Fund (43472)	43,472	.60	43,472	-
9. Minnesota Mutual Life Insurance Co	36,038	.50	36,038	-
10. First National City Bank (NY)	26,724	.37	33,213	-
11. General American Life Insurance Co	25,958	.36	25,958	-
12. Yale University	24,874F	.34	24,874F	-
13. Mutual Of Omaha Insurance Co (17846) Mutual Of Omaha Fund Management Co* Mutual Of Omaha Growth Fund Inc (7005)	24,851	.34	24,851	-
14. National Securities & Research Corp* Fairfield Fund Inc (20800)	20,800	.29	20,800	-
15. Mellon Bank NA	18,652	.26	18,652	-
16. Continental Illinois National Bank & Trust Co	18,351	.25	19,420	-
17. Halliburton Co* Highlands Insurance Co (17171)	17,171	.23	17,171	-
18. Vanderbilt University	16,640F	.23	16,640F	-
19. Stewart Fund Managers Ltd* (Scotland) Scottish American Investment Co (16548)	16,548	.23	16,548	-
20. Bank Of America NTSA	4,680	.06	15,080	-

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
21. Harris Trust & Savings Bank	4,494	.06	31,274	-
22. Manufacturers National Bank Of Detroit	-	-	57,680	-
23. First Pennsylvania Bank NA	-	-	48,394	-
24. Crocker National Bank	-	-	14,929	-
TOTALS	4,041,224	56.44%	4,206,965	

TOP 5 SHAREHOLDERS VOTE 48.21% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 53.74% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 55.35% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 56.37% OF THE STOCK.

LEE WAY MOTOR FREIGHT INC

3000 W. Reno, Oklahoma City, OK 73108

Incorporated: Delaware
Fortune Rank: –
Assets: $64,072
Total Debt: $18,780
Debt/Asset Ratio: 29.3%
Lease Commitments: NA
Number of Employees: 3,595
Operating Revenue: $115,455
Income: $9,095 (a)
Net Income: $4,423
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 43.9%
Regulation: SEC, ICC

Principal Underwriter(s)

S (1971)—Merrill Lynch

Legal Counsel(s) – NA

Transportation Subsidiaries – None

Comments

Corporate Structure: In July 1976 Company acquired a portion of bankrupt ASSOCIATED TRANSPORT INC's operating rights. In August Company was acquired by PEPSICO INC.

Labor: Company is a defendant in several court actions charging Company with discriminatory employment practices. In 1973 Company was found guilty of a pattern of discrimination against black employees.

Business Lines	Percent of Operating Revenue	Percent of Income
Trucking	90%+	90%+

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	2,568,255	1	2,568,255	1,915

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Lee-Upsher Families#	1,460,634	56.87	1,460,634	-
2. Rowe Price (T) & Associates Inc* Rowe Price (T) New Horizons Fd (150000)	150,000	5.84	150,000	-
3. Franklin Resources Inc< Franklin Custodian Funds-Dynatech (40000)	40,000	1.56	40,000	-
4. Seligman (J & W) & Co+ Union Service Corp* Tri-Continental Corp (40000)	40,000	1.56	40,000	-
5. Lee Way Motor Freight Emp Profit Sharing Pl	36,400	1.42	36,400	-
6. Houk, Robert C#	22,113	.86	22,113	-
7. Tisch Family Group-Loews Corp< CNA Management Corp* Knickerbocker Growth Fund (10000)	10,000	.38	10,000	-
8. Cornelius, Tom	5,317	.20	5,317	-
TOTALS	1,764,464	68.70%	1,764,464	

TOP 5 SHAREHOLDERS VOTE 67.25% OF THE STOCK.

LONE STAR GAS CO

301 S. Harwood St., Dallas, TX 75201

Incorporated: Texas
Fortune Rank: -
Assets: $954,944
Total Debt: $464,293
Debt/Asset Ratio: 48.6%
Lease Commitments: None
Number of Employees: 6,812
Operating Revenue: $509,931
Income: NA
Net Income: $54,491
Foreign Operating Revenue: Insignificant
Foreign Income: Insignificant
Income Tax Rate: 31.7%
Regulation: SEC, FPC

Principal Underwriter(s)

S & DT–Salomon Brothers; Goldman, Sachs & Co

Legal Counsel(s)

Covington & Burling, DC: fees for 1974–$33; Shannon, Gracey, Ratliff & Miller, TX: fees for 1974–$16; Jackson, Walker, Winstead, Cantwell & Miller, TX: fees for 1974–$16

Transportation Subsidiaries

None

Comments

Corporate Structure: In October 1975 Company changed its name to Enserch Corp.

Major Transactions: In 1974, 30.5% of Company's total gas sales volume went to 3 Texas utilities. In 1974 and 1975 Company purchased 9.3% and 17% of its gas from a subsidiary of COASTAL STATES GAS CORP.

Business Lines	Percent of Operating Revenue	Percent of Income
Natural Gas	66.9%	35.0%
Petroleum Exploration & Production	19.3	36.2
Chemicals, Chemical Fertilizer, Plastic Prod.	12.4	24.6
Well Services	6.3	4.0
Thermal Energy	1.0	0.2
Intercompany Sales	(5.8)	—

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	14,941,078	1	14,941,078	40,511

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. First National Bank In Dallas Lone Star Gas Co Emp St Purchase Pl/2588 Participants (335245)	749,663	5.02	749,663	-
2. Republic National Bank Of Dallas	544,289	3.64	544,289	-
3. Aitken, Annie L C	317,700	2.13	317,700	-
4. Mellon Bank NA	219,722	1.47	250,128	-
5. Texas, University Of	215,000	1.44	215,000	-
6. Fidelity Management & Research Co* Puritan Fund (200000)	200,000	1.34	200,000	-
7. Equitable Life Assurance Society Of The US	193,000	1.29	193,000	-
8. INA Corp< Insurance Co Of North America (151900)	151,900	1.02	151,900	-
9. Travelers Corp< Phoenix Insurance Co (63600) Travelers Insurance Co (51700) Massachusetts Company Inc* Freedom Fund (30000)	145,300	.97	145,300	-
10. Security Pacific National Bank	134,859	.90	150,959	-
11. Eaton & Howard Inc* Eaton & Howard Balanced Fund (90000)	90,000	.60	90,000	-
12. Texas Teacher Retirement System	76,500G	.51	76,500G	-
13. Fahnestock & Co+ Fahnestock Advisory Corp* Philadelphia Fund (70000)	70,000	.46	70,000	-
14. Gates Rubber Co< (PT) Financial Programs Inc* Financial Industrial Fund (60000)	60,000	.40	60,000	-
15. United States Trust Co	58,521X	.39	123,301X	-
16. First National Bank Of Fort Worth	49,624	.33	59,794	-
17. Reserve Life Insurance Co (11600) Midland National Life Insur Co (10700) Professional Insurance Co (6000) Westland Life Insurance Co (18000)	46,300	.30	46,300	-
18. Pool, F M#	45,071	.30	45,071	-
19. Chemical Bank	44,823	.29	387,000	-

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
20. Southwestern Life Corp< Southwestern Life Insur Co (34982) Southwestern Management & Research Corp* Fund Of The Southwest (2000)	36,982	.24	36,982	-
21. First Pennsylvania Bank NA	34,883	.23	66,164	-
22. Cochran, T C Jr & Family#	32,178	.21	32,178	-
23. Pittsburgh National Bank	32,084	.21	33,195	-
24. International Telephone & Telegraph Corp< Hamilton Management Corp* Hamilton Income Fund (30000)	30,000	.20	30,000	-
25. Northwestern National Bank Of Minneapolis	27,124	.18	27,710	-
26. Riggs National Bank	20,000	.13	33,500	-
27. First National Bk & Tr Co, Oklahoma City	800	.0	42,800	-
28. Provident National Bank	-	-	49,708	-
29. Southern California First National Bank	-	-	42,025	-
30. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (393766)	-	-	-	393,766
31. First National City Bank	-	-	-	387,700
32. Bankers Trust Co	-	-	-	338,900
TOTALS	3,626,323	24.27%	4,270,167	

TOP 5 SHAREHOLDERS VOTE 13.70% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 19.22% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 21.59% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 23.09% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 24.13% OF THE STOCK.

DANIEL K LUDWIG INTERESTS

1345 Ave. of the Americas, New York, NY 10019

Transportation Subsidiaries

National Bulk Carriers Inc (WC)
Universe Tankships Inc (WC)

Control

Daniel K. Ludwig (100%)

Comments

Privately-owned interests for which no information is available except from published sources.

Corporate Structure: Recently described by *Fortune* as one of two living billionaires in the United States, Ludwig is one of the major independent shipowners in the world, with approximately 50 ships totalling 7 million tons. Over the last decade and a half, Ludwig at one time or another invested in California land and savings and loan associations, and owned a refinery and an orange plantation in Panama, a Venezuelan cattle ranch, and coal deposits in Australia. In 1976 he sold a half interest in the latter to British Petroleum Co Ltd for $200 million. Ludwig made some profitable sales of other operations and assets over the last decade, including a 15% interest in Union Oil Co, sold in 1965 at a 46% profit; an 11% interest in McLean Industries, sold in 1969 to RJ REYNOLDS INDUSTRIES INC for a 500% profit; and the world's largest salt evaporation plant, sold in 1975 to Mitsubishi Corp for $50 million. One of Ludwig's largest ventures is the development of his 3-million acre tract of land in the Amazon. Ludwig will invest an estimated $1 billion in this venture by 1983. It will include a timber plantation of fast-growing Indian "gmelinas" and Caribbean pine, a $264 million pulp plant, a rice plantation, a cattle ranch, a clay deposit and a complete town. In March 1976 Ludwig received permission from the British government to build a $360 million oil refinery and marine terminal in Scotland.

LYKES-YOUNGSTOWN CORP

Lykes Ctr., 300 Poydras St., New Orleans, LA 70130

Incorporated: Delaware
Fortune Rank: 105
Assets: $1,655,958
Total Debt: $482,111
Debt/Asset Ratio: 29.1%
Lease Commitments: None
Number of Employees: 31,800
Operating Revenue: $1,826,106
Income: $172,529 (b)
Net Income: $120,954
Foreign Operating Revenue: See Comments
Foreign Income: See Comments
Income Tax Rate: 29.3%
Regulation: SEC

Principal Underwriter(s)

DT (1972)–Smith, Barney; Bear, Stearns & Co

Legal Counsel(s)

Macfarlane, Ferguson, Allison & Kelly, FL: fees for 1974–$44

Transportation Subsidiaries

Lykes Brothers Steamship Co Inc (WC-CN)

Comments

Corporate Structure: All of Company's transportation revenues are derived from foreign commerce. In May 1976 Company changed its name to Lykes Corp. Company has a 57% interest in the First National Bank (Palm Beach Florida), which had deposits of $157 million in 1975. Company also owns a substantial interest in two life insurance companies, including a 90% interest in Dallas-based United Fidelity Life Insurance Corp, with total assets of $168 million.

Labor: In 1975 Company and 8 other steel companies agreed to 2 consent decrees with the U.S. Department of Labor and the Equal Employment Opportunity Commission resulting from discriminatory employment practices. Company agreed in 1976 to pay over $2 million in back pay to eligible employees. Two other job-discrimination suits by mason's helpers and longshoremen are pending against Company.

Business Lines	Percent of Operating Revenue	Percent of Income
Steel Operations	85.8%	92.5%
Maritime Transportation	12.9	23.3
Other	1.3	(15.8)

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	8,075,536	1	8,075,536	9,793
$2.50 Ser. A Pfd.	5,344,802	1	5,344,802	18,367
$4 Ser. Pfd.	30,089	1	30,089	744
Total Votes Outstanding			13,450,427	

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Lykes, Charles P & Joseph T Jr#	853,882E	6.35	853,882E	-
2. Ferguson, Chester H#	705,878	5.25	705,878	-
3. Colton, Richard C#	163,903	1.22	163,903	-
4. Arnold Bernard & Co Inc* Value Line Special Situations Fd (15000) Value Line Leveraged Growth (5000)	155,000	1.15	155,000	-
5. Delaware Management Co Inc* Delaware Fund Inc (108100)	108,100	.80	108,100	-
6. American General Insurance Co< Life & Casualty Insur Co Of Tenn (8500) American General Capital Management Inc* Harbor Fund Inc (50000)	58,500	.43	58,500	-
7. Nemec, Frank A#	48,554E	.36	48,554E	-
8. Lykes-Youngstown Corp< (PT) First National Bank In Palm Beach (24600)	24,600	.18	24,600	-
9. Capital Dynamics Management Ltd* (Canada) All-Canadian Fund 4000 (5000) All-Canadian Venture Fund Ltd (15000)	20,000	.14	20,000	-
10. Gates Rubber Co< (PT) Financial Programs Inc* Financial Dynamics Fund Inc (20000)	20,000	.14	20,000	-
TOTALS	2,158,417	16.05%	2,158,417	

TOP 5 SHAREHOLDERS VOTE 14.77% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 16.05% OF THE STOCK.

MACMILLAN BLOEDEL LTD

1075 W. Georgia St., Vancouver, British Columbia V6E 3R9, Canada

Incorporated: Canada
Fortune Rank: –
Assets: $1,200,063
Total Debt: $404,107
Debt/Asset Ratio: 33.7%
Lease Commitments: $253,004
Number of Employees: 23,847
Operating Revenue: $1,396,330
Income: $160,100 (c)
Net Income: $72,299
Foreign Operating Revenue: –
Foreign Income: –
Income Tax Rate: –
Regulation: SEC

Principal Underwriter(s)

DT–Wood Gundy Securities

Legal Counsel(s)

NA

Transportation Subsidiaries

Canadian Gulf Lines Inc (WC-CN)
Canadian Transport Co Ltd (WC-CN)

Comments

Corporate Structure: In 1975 Company's maritime transportation operations lost $46.3 million and Company has decided to sharply reduce the size of its fleet. Company is Canada's largest forest products producer.

Labor: In 1975 the Canadian Paperworkers' Union and the Pulp and Paper Workers of Canada closed down most of Company's forestry operations in British Columbia in a 3-month strike. The pulp unions also struck Company's New Brunswick newsprint plant for 4 months.

Legal Proceedings: Company is a defendant with other paper manufacturers, pulpwood dealers, and plywood and lumber producers in two antitrust suits brought by pulpwood producers and building supply dealers.

Business Lines	Percent of Operating Revenue	Percent of Income
Building Materials	42.6%	22.2%
Pulp & Paper	37.5	52.3
Packaging	14.7	9.6
Maritime Transportation	11.7	16.4
Other	0.3	0.7
Intercompany Transactions	(6.8)	(1.2)

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Ordinary	21,213,814	1	21,213,814	16,385

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Canadian Pacific Ltd (PT)	2,849,600	13.43	2,849,600	-
Canadian Pacific Investments Ltd (2849600)				
2. Power Corp-Investors Group Of Canada<	840,120	3.96	840,120	-
Great-West Life Assurance Co (30000)				
Imperial Life Assur Co Of Canada (36000)				
Investors Securities Management Ltd*				
Investors Group Pld Pn Trust Fd B (50000)				
Investors Growth Fd Of Canada (212674)				
Investors Mutual Fd Of Canada (337246)				
Investors Retirement Mutual Fd (89000)				
Provident Mutual Fund (20900)				
Montreal Trust Co				
Montreal Tr Multiple Pension Fd (43800)				
Montreal Tr Retir Savings Plan (20500)				
3. Robeco* (Netherlands)	200,000G	.94	200,000G	-
4. Canada Trust Co*	190,500	.89	190,500	-
Canada Tr Investment Fd-Equity (35000)				
Canada Tr Pooled Pension Fund (75000)				
Retirement Savings Fund (80500)				
5. Rainier National Bank	164,056	.77	179,456	-
6. Royal Trust Co (Canada)	116,600	.54	116,600	-
Canadian Dental Assoc Retir Fund (13250)				
Royal Trust Managed Fd C (40000)				
Royal Trust Pooled Pension Fund (63350)				
7. Calvin Bullock Ltd*	115,000	.54	115,000	-
Canadian Investment Fund Ltd (100000)				
Canadian Fund (15000)				
8. Canadian General Investments Ltd	90,000	.42	90,000	-
9. Canada Life Assurance Co	80,000	.37	80,000	-
10. United Corporations Ltd-Canada (25500)	63,800	.30	63,800	-
United Bond & Share Ltd*				
Royfund Ltd (38300)				

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
11. Harris Trust & Savings Bank	49,940	.23	49,940	-
12. Mutual Life Assurance Co Of Canada	48,883	.23	48,883	-
13. Prudential Insur Co Of America< (32000)	48,500	.22	48,500	-
Prudential Fund Mngt Canada Ltd*				
Prudential Growth Fd Canada Ltd (16500)				
14. Canada Permanent Mortgage Corp<	46,000	.21	46,000	-
Canada Permanent Trust Co*				
Investment Fund (10000)				
Pooled Equity & Pension Fund (21000)				
Retirement Savings Income Fund (15000)				
15. National Trust Co Ltd (Canada)	45,000	.21	45,000	-
National Trust Pld Pension Fund (28000)				
National Trust Retir Savings Pl (17000)				
16. Clyne, J V#	40,000	.18	40,000	-
17. Manufacturers Life Insurance Co (Canada)	38,400	.18	38,400	-
TOTALS	5,026,399	23.69%	5,041,799	

TOP 5 SHAREHOLDERS VOTE 20.01% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 22.20% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 23.32% OF THE STOCK.

MAPCO INC

1437 S. Boulder Ave., Tulsa, OK 74119

Incorporated: Delaware
Fortune Rank: 549 NRF
Assets: $373,670
Total Debt: $164,745
Debt/Asset Ratio: 44.1%
Lease Commitments: None
Number of Employees: 2,000
Operating Revenue: $249,808
Income: $96,911 (a)
Net Income: $41,295
Foreign Operating Revenue: Insignificant
Foreign Income: Insignificant
Income Tax Rate: 32.1%
Regulation: SEC, ICC

Principal Underwriter(s)

S & DT– Bear, Stearns & Co; White, Weld & Co

Legal Counsel(s)

Sullivan & Worcester, MA: fees for 1974–$118

Transportation Subsidiaries

None

Comments

Corporate Structure: In 1975 Company acquired 14,000 acres of undeveloped Kentucky coal land from a unit of NORFOLK & WESTERN RY CO.

Major Transactions: The Davis Family Interests, the largest identified voting stockholder of Company, began a suit against Company in 1975 over the terms of the expiration of a coal brokerage contract which Company had with the family firm, Davis Coals. Company decided to terminate the contract claiming that the brokerage commissions paid to Mr. Davis (estimated at $2.75 million in 1975) had become excessive. Mr. Davis has resigned from Company's board of directors.

Business Lines	Percent of Operating Revenue	Percent of Income
Oil Pipeline	16%	19.9%
Coal	NA	NA
Oil & Natural Gas	NA	NA
Fertilizer	NA	NA
Environmental Control	NA	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	18,688,517	1	18,688,517	10,000

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Davis Family Interests#	1,203,000	6.44	1,203,000	-
Davis, Joe C (909000)				
Davis Coals Inc (294000)				
2. Kemper Family Group	1,148,238	6.14	1,148,238	-
American Manufacturers Mutual Insur (31000)				
American Motorists Insurance Co (34000)				
Citizens Life & Casualty Insur (300)				
Economy Fire & Casualty Co (6000)				
Federal Kemper Insurance Co (3500)				
Fidelity Life Association (6000)				
Iowa Kemper Insurance Co (3500)				
Kemper Reinsurance Co (6000)				
Kemper Security Insurance Co (2000)				
Lumbermans Mutual Casualty Co (145000)				
Sequoia Insurance Co (4000)				
Supervised Investors Services Inc*				
Technology Fund (700000)				
Supervised Investors Growth Fund (130614)				
Supervised Investors Income Fund (36162)				
Supervised Investors Summit Fund (40162)				
3. Dreyfus Corp*	800,192	4.28	800,192	-
Dreyfus Fund (800192)				
4. Adams Express Co	623,000	3.33	623,000	-
Petroleum Corp Of America (623000)				
5. Stein Roe & Furnham*	602,000	3.22	602,000	-
Stein Roe & Furnham Stock Fund (300000)				
Stein Roe & Furnham Balanced Fd (260000)				
Stein Roe & Furnham Capital (42000)				
6. Harvard University	601,010	3.22	601,010	-
7. Mutual Life Insur Co Of New York (571100)	597,700	3.20	597,700	-
Mony Advisers Inc*				
Mony Fund (26600)				
8. First National Bank Of Minneapolis	592,180	3.17	692,080	-
9. Kansas City Southern Industries Inc (PT)	455,310	2.44	455,310	-
10. United States Fidelity & Guaranty Co	425,800	2.2[illegible]	425,800	-
11. State Street Research & Management Co*	399,710	2.14	399,710	-
State Street Investment Corp (399710)				
12. Bankers Trust Co	373,770	2.00	407,000	-
13. Northwestern Mutual Life Insurance Co	285,592	1.53	285,592	-
14. Akers Family Interests	240,000	1.28	240,000	-
Akers, William B (120000)				
Akers, J Clark 3rd (120000)				
15. Mercantile-Safe Deposit & Trust Co	224,100	1.20	330,658	-
16. Kincaid, Kennedy J K Jr#	210,948	1.13	210,948	-
17. Hopwood, Loren E#	175,400	.93	175,400	-
18. Third National Bank In Nashville	169,900	.90	169,900	-
19. Russell, Charles O#	167,852	.89	167,852	-
20. Fidelity Management & Research Co*	165,500	.88	165,500	-
Fidelity Trend Fund (156500)				
Magellan Fund (6000)				
Salem Fund (3000)				
21. Oppenheimer & Co+	156,000	.83	156,000	-
Oppenheimer Management Corp*				
Oppenheimer Fund (125000)				
Oppenheimer Special Fund (1000)				
Oppenheimer Time Fund (30000)				
22. Keystone Custodian Funds Inc*	132,000	.70	132,000	-
Keystone Custodian Fds S-3 (100000)				
Keystone Apollo Fund (8000)				
Polaris Fund (24000)				
23. United States National Bank Of Oregon	116,175	.62	116,975	-
24. Palmer, Fred I	115,000E	.61	115,000E	-
25. Thomas, Robert E#	110,000	.58	110,000	-
26. Tisch Family Group-Loews Corp<	105,000	.56	105,000	-
Continental Assurance Co (105000)				
27. Lincoln National Corp<	88,800	.47	88,800	-
Lincoln National Investment Mngt Corp*				
Lincoln National Capital Fd (9000)				
Selected American Shares Fd (50000)				
Selected Opportunity Fund (10000)				
Selected Special Shares Fd (19800)				

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
28. Harris Trust & Savings Bank	84,000	.44	123,009	-
29. Seattle-First National Bank	82,150	.43	133,350	-
30. Muhar, Maurice C#	73,400	.39	73,400	-
31. Rockefeller Family Interests Rockefeller Foundation (70000)	70,000	.37	70,000	-
32. Robinson, J M#	60,000	.32	60,000	-
33. Alkek, Albert B#	59,800	.31	59,800	-
34. Northwestern National Bank Of Minneapolis	53,560	.28	53,560	-
35. Equitable Life Assur Society Of The US	45,900	.24	45,900	-
36. Dillon Read & Co Inc+ United States & Fgn Securities Corp (42400)	42,400	.22	42,400	-
37. First National Bank Of Chicago	40,855	.21	169,480	-
38. Deramus, William N 3rd#	38,405	.20	38,405	-
39. Manufacturers Life Insurance Co (Canada)	37,000	.19	37,000	-
40. United States Trust Co	31,020X	.16	44,150X	-
41. Dupont Family Group Wilmington Trust Co (97979) Delfi Management Inc* Sigma Capital Shares (30000)	30,000	.16	30,000	97,979
42. Continental Illinois National Bank & Tr Co	6,200	.03	53,950	179,850
43. Morgan Guaranty Trust Co	-	-	-	126,986
44. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (106948)	-	-	-	106,948
TOTALS	11,038,867	59.07%	11,559,069	

TOP 5 SHAREHOLDERS VOTE 23.42% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 37.72% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 45.87% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 50.63% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 53.99% OF THE STOCK.

MARATHON OIL CO

539 S. Main St., Findlay, OH 45840

Incorporated: Ohio
Fortune Rank: 59
Assets: $1,799,876
Total Debt: $267,281
Debt/Asset Ratio: 14.8%
Lease Commitments: NA
Number of Employees: 9,465
Operating Revenue: $2,882,174
Income: $481,432 (b)
Net Income: $170,493
Foreign Operating Revenue: 40%

Foreign Income: 39.7%
Income Tax Rate: 9.2%
Regulation: SEC

Principal Underwriter(s)

DT--First Boston Corp

Legal Counsel(s) – NA

Transportation Subsidiaries

Marathon Pipe Line Co (PO-CN)

Comments

Corporate Structure: In October 1976 Company acquired a newly-built $400 million refinery owned by Energy Corp of Louisiana, a joint venture between Northeast Petroleum Industries Inc and Ingram Corp. With this acquisition Company grew from the 16th largest U.S. oil refiner to the 10th.

Joint Ventures: In December 1976 the Department of Transportation authorized Company and 5 other oil companies including Shell Oil Co, TEXACO INC, Ashland Oil Inc, Murphy Oil Corp, and Union Oil Co of California to jointly construct and operate a $738-million deepwater tanker unloading facility, known as Loop Inc, off the coast of Louisiana.

Legal Proceedings: Company is a co-defendant in two antitrust suits brought by the States of Florida and Connecticut against 17 and 23 oil companies respectively.

Payments Disclosure: In October 1976 Company disclosed that a recently-acquired subsidiary, Pan Ocean Oil Corp, made "improper payments" totalling $68,500 over a 5-year period before its acquisition by Company. An additional $600,000 in "borderline" payments were made to foreign government officials. Company has stated that its own policy is to "continue to make 'facilitating' payments to government officials in foreign countries where they are considered customary."

Business Lines	Percent of Operating Revenue	Percent of Income
Refined Oil Products & Merchandise	53.2%	NA
Crude Oil & Natural Gas Liquids	44.3	NA
Natural Gas	2.0	NA
Pipeline Transportation	0.5	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	29,846,569	1	29,846,569	42,891

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. National City Bank Of Cleveland	1,754,604	5.88	1,758,554	-
Marathon Oil Thft Pl/4456 Pcts (1674905)				
2. Prudential Insurance Co Of America< (1106500)	1,174,500	3.94	1,174,500	-
Prudential Property & Casualty (10000)				
Prudential Fund Management Canada Ltd*				
Prudential'S Gibraltar Fund (58000)				
3. Morgan Guaranty Trust Co	844,480	2.83	1,143,676F	-
4. Benedum (Claude Worthington) Foundation	383,804	1.29	383,804	-
5. Washington National Corp<	380,000	1.27	380,000	-
Anchor Corp*				
Fundamental Investors Inc (200000)				
Anchor Growth Fund Inc (180000)				
6. Harris Trust & Savings Bank	374,573	1.25	412,007	-
7. Lord Abbett & Co*	324,500	1.09	324,500	-
Affiliated Fund Inc (324500)				
8. Dreyfus Corp*	321,500	1.08	321,500	-
Dreyfus Fund Inc (321500)				
9. Rockefeller Family Interests	305,244	1.02	305,244	-
Descendants Of John D Jr (205244)				
Rockefeller University (100000)				
10. Wellington Management Co*	264,500	.88	264,500	-
Wellington Fund Inc (264500)				
11. National Bank Of Detroit	261,229	.87	338,106	-
12. Ford Foundation	250,000C	.83	250,000C	-
13. Ohio State Teachers Retirement System	200,000H	.67	200,000H	-
14. Los Angeles County Employees' Retirement Assn	180,000	.60	180,000	-
15. Bankers Trust Co	179,079	.59	292,000	-
16. Chase Manhattan Bank NA	177,000	.59	435,000	-
17. New England Merchants National Bank	174,728	.58	264,693	-
18. Calvin Bullock Ltd*	163,000	.54	163,000	-
Dividend Shares Inc (100000)				
Bullock Fund Ltd (40000)				
Nation-Wide Securities Co Inc (23000)				
19. Boston Safe Deposit & Trust Co (138486)	160,896	.53	238,486	-
Douglas T Johnston & Co Inc*				
Johnston Mutual Fund Inc (100000)				
20. Provident National Bank (Penn)	144,970	.48	163,451	-
21. Princeton University	133,367	.44	133,367	-
22. New York City Teachers' Retirement System	132,834	.44	132,834	-
23. Donnell, James C II#	127,336E	.42	127,336E	-
24. Stein Roe & Furnham*	126,000	.42	126,000	-
Stein Roe & Furnham Stock Fund (70000)				
Stein Roe & Furnham Balanced Fund (40000)				
Stein Roe & Furnham Capital (16000)				
25. United States Fidelity & Guaranty Co	116,900	.39	116,900	-
26. International Telephone & Telegraph Corp<	110,000	.36	110,000	-
Hamilton Management Corp*				
Hamilton Funds Inc (100000)				
Hamilton Income Fund Inc (10000)				
27. New York Life Insurance Co	106,170	.35	106,170	-
28. David L Babson & Co Inc*	104,000	.34	104,000	-
David L Babson Investment Fd Inc (77700)				
Savings Bank Investment Fund (22000)				
Dana Associates (4300)				
29. Manufacturers National Bank Of Detroit	101,842	.34	171,591	-
30. Yale University	95,500B	.31	95,500B	-
31. Aetna Life & Casualty Co	83,500	.27	83,500	-
Aetna Life Insurance Co (3500)				
Aetna Variable Annuity Life Insur (80000)				
32. Connecticut General Insurance Corp	82,200	.27	82,200	-
Aetna Insurance Co (4000)				
Connecticut General Life Insur Co (42200)				
33. North Carolina National Bank	81,453	.27	90,987	-
34. Mellon Bank NA	80,208	.26	119,758	-
35. First National Bank, Kansas City	77,512	.25	81,740	-
36. Nationwide Corp<	76,498	.25	76,498	-
Nationwide Life Insurance Co (7638)				
Nationwide Mutual Fire Insurance Co (4838)				
Nationwide Mutual Insurance Co (54022)				
Heritage Securities Inc*				
Mutual Investing Found-Mif Gwth (10000)				

MARATHON OIL CO

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
37. Eberstadt (F) & Co Inc+ Chemical Fund Inc (65800)	65,800	.22	65,800	-
38. Allendale Group< Allendale Mutual Insurance Co (60000) Affiliated F M Insurance Co (5500)	65,500	.21	65,500	-
39. Huntington National Bank Of Columbus (Ohio)	60,294	.20	76,726	-
40. Adams Express Co Petroleum Corp Of America (60000)	60,000	.20	60,000	-
41. Riggs National Bank	56,008	.18	61,088	-
42. Bank Of America NTSA	55,224	.18	63,250	-
43. Security Pacific National Bank	55,177	.18	108,313	-
44. First Investors Management Co* First Investors Fund For Growth (50000)	50,000	.16	50,000	-
45. First National Bank In Dallas	49,536	.16	52,507	-
46. Continental Illinois National Bank & Trust Co	38,495	.12	63,971	-
47. First National City Bank (NY)	27,692	.09	74,120	-
48. United States Trust Co	23,547X	.07	208,267X	-
TOTALS	10,261,200	34.38%	11,700,944	

TOP 5 SHAREHOLDERS VOTE 15.20% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 20.53% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 24.12% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 26.87% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 29.00% OF THE STOCK.

MARITIME FRUIT CARRIERS CO LTD

53 Shderot Hameginim, Haifa, Israel

Incorporated: Israel
Fortune Rank: –
Assets: $648,539
Total Debt: $424,163
Debt/Asset Ratio: 65.4%
Lease Commitments: NA
Number of Employees: 1,900
Operating Revenue: $150,830
Income: $66,619 (a)
Net Income: $30,164
Foreign Operating Revenue: –
Foreign Income: –
Income Tax Rate: –
Regulation: SEC

Principal Underwriter(s)

S & DT (1972)–Hornblower & Weeks-Hemphill, Noyes

Legal Counsel(s)

Singer & Pincus (General Counsel), NY: fees for 1974–NA;
Coudert Brothers, NY: fees for 1974–NA

Transportation Subsidiaries – None

Comments

Corporate Structure: In February 1976 Company defaulted on approximately $23.5 million of its debt, provoking a struggle for control of Company and the liquidation of most of its fleet. Contending for control were Mila Brener and Yaacov Meridor, Company's co-managing directors and largest stockholders, and Struve Hensel, a partner in the New York law firm of Coudert Brothers and the unofficial representative of a major company creditor, Bankers Trust Co of New York. Following the default, Hensel was elected top executive, replacing Brener and Meridor, whose stock was placed in a trust under Hensel's control. Brener and Meridor regained control of Company in June. Company has since charged Bankers Trust and others with attempting to liquidate it to further their own interests. Company's one-time fleet of 40 refrigerated ships, consisting of 18 British, 14 German and 8 Israeli-flag reefers, and 10 tankers has been reduced to a few operating vessels. Only one of the German ships was owned by Company; the others were operated under long-term charters. Most of Company's other ships have been either sold or seized by creditors. Company also sold to COASTAL STATES GAS CORP its 50% interest in 2 supertankers under construction, cancelled an LNG tanker construction contract with a French shipyard, and terminated a contract with Bethlehem Steel Corp for the construction of 2 offshore drilling rigs. Company's financial difficulties were particularly threatening to the British shipbuilding industry where one third of the shipyard labor force is dependent on contracts from Company. The default prompted the sale of all of Company's British-flag reefers, including 3 to Salen Reefer Services AB, a subsidiary of the Swedish shipping group Rederi AB Salenia; 10 to Cunard Steamship Co, a subsidiary of Trafalgar House Investments Ltd; and 2 to Willy Bruns Co of Hamburg. Cunard financed its acquisition with a loan from Barclays Bank, and from Chemical Bank and First National Bank of Boston, 2 leading Company creditors. Chunard intends to negotiate a charter of the ships to the Salen group, which had operated under charter all of Company's reefers until July 1976. The bulk of these sales followed the September breakdown of an a agreement between Company and SEA CONTAINERS INC to form a joint-venture to take over 23 British and Israeli-flag ships. SEA CONTAINERS withdrew from the venture to avoid antagonizing its Arab customers and jeopardizing relations with the Salen group, which also acts as a SEA CONTAINERS agent. In July the Israeli government sought to save Company's Israeli-flag ships by passing legislation permitting early repayment of a 1973 Company loan to the Israeli government. An Israeli court later barred Bankers Trust Co from selling the remaining 5 Israeli-flag ships, charging Bankers Trust with putting pressure on Company due to the bank's ties to Arab financial interests. In November Company filed a $300 million suit against Bankers Trust, Manufacturers and Traders Trust Co, the Salen group, UNITED BRANDS CO (a major Salen customer) and others, charging conspiracy to destroy Company to further their own interests. The charges have been denied by the defendants.

Major Transactions: Until July 1976 all of Company's reefers were operated under a long-term charter by Salen Reefer Services AB, a subsidiary of the Swedish shipping group Rederi AB Salenia. Under this arrangement Salen operated a total of 86 reefers in 1974, which according to Company estimates equalled about half the capacity of the free world's independent reefer fleet. Salen is also one of the largest stockholders in UNITED BRANDS CO and transports all of the bananas marketed by the latter in Europe.

Business Lines	Percent of Operating Revenue	Percent of Income
Refrigerated Maritime Transportation	46.1%	NA
Oil Maritime Transportation	15.5	NA
Net Gain on Sales of Shipbuilding Contr.	33.4	NA
Sales of Sea Products	4.1	NA
Other (Insurance, Ranching, Mngt., Divd.)	0.9	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Class A Ordinary	3,918,603	1	3,918,603	2,383

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Panmaritime Ltd SA (Panama)	1,267,971C	32.36	1,267,971C	-
2. Meridor, Yaacov#	149,475C	3.81	149,475C	-
3. Brener, Mila#	149,475C	3.81	149,475C	-
4. Freidman, William J#	16,875C	.43	16,875C	-
5. Pittsburgh National Bank	15,300	.39	15,300	-
6. Damm, Jacobo#	15,000C	.38	15,000C	-
7. Security Pacific National Bank	12,500	.31	12,500	-
8. National Community Bank Of New Jersey	-	-	50,000	-
TOTALS	1,626,596	41.51%	1,676,596	

TOP 5 SHAREHOLDERS VOTE 40.81% OF THE STOCK.

MASON & DIXON LINES INC

U.S. Highway 11-W, Kingsport, TN 37662

Incorporated: Tennessee
Fortune Rank: –
Assets: $35,023
Total Debt: $8,236
Debt/Asset Ratio: 23.5%
Lease Commitments: NA
Number of Employees: 3,778
Operating Revenue: $103,308
Income: $2,927 (a)
Net Income: $1,328
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 36.3%
Regulation: ICC

Principal Underwriter(s)

NA

Legal Counsel(s)

NA

Transportation Subsidiaries

None

Control

E. William King & Family Interests# (57.28%); Margaret K. Norris & Family Interests# (24.66%); The Crown Enterprises, Inc (18.06%).

Business Lines	Percent of Operating Revenue	Percent of Income
Trucking	90%+	90%+

Stock Structure (Private)

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	13,985	1	13,985	11

MAYFLOWER CORP

9998 N. Michigan Rd., Carmel, IN 46032

Incorporated: Indiana
Fortune Rank: –
Assets: $36,317
Total Debt: $13,013
Debt/Asset Ratio: 35.8%
Lease Commitments: None
Number of Employees: 928
Operating Revenue: $106,038
Income: $678 (b)
Net Income: $428
Foreign Operating Revenue: Insignificant
Foreign Income: Insignificant
Income Tax Rate: 36.7%
Regulation: SEC (beginning in 1976)

Principal Underwriter(s) S–City Securities Corp

Legal Counsel(s)

McHale, Cook & Welch, IN: fees for 1976–NA

Transportation Subsidiaries

Aero Mayflower Transit Co Inc (MF-CN)

Comments

Capital Structure: On March 1, 1976 Company split its common stock 2-for-1.

Corporate Control: Approximately 88% of the outstanding common shares are owned by 83 members of up to four generations of the families of George C. Burkert, Jr., William P. Cooling, Fred J. Grumme, John T. Hume, Jr., Rufus W. Mumford, Jr. and John B. Smith, each of whom is a Company director, and of the late Richard E. Huggins.

Business Lines	Percent of Operating Revenue	Percent of Income
Long-Distance Moving	89.4%	138.9%
Local Moving & Storage	7.8	(39.8)
Freight Forwarding	1.9	(25.7)
Sales & Financing of Transp. Equip.	1.0	26.5

Stock Structure (private)

Class	Shares Outstanding (12-31-75)	Votes per Share	Total Votes per Class	Stockholders of Record (12-31-75)
Common	654,983	1	654,983	143

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Neal, Mary Alice	65,603H	10.02	65,203H	-
2. Grumme, Fred J#	52,100H	7.95	52,100H	-
3. Budd, C Burcham Jr & Associates	37,877H	5.78	37,877H	-
4. Indiana Group Inc< Indiana Insurance Co (32761H)	32,761H	5.00	32,761H	-
5. Cooling, William P & Associates#	30,599H	4.67	30,599H	-
6. Smith, Joan W	15,033H	2.30	15,033H	-
7. Mckinney, W N*	5,710H	.87	5,710H	-
TOTALS	239,683	36.59%	239,283	

TOP 5 SHAREHOLDERS VOTE 33.43% OF THE STOCK.

MCLEAN TRUCKING CO

671 Waughtown St., Winston-Salem, NC 27102

Incorporated: North Carolina
Fortune Rank: 33 T
Assets: $150,782
Total Debt: $44,310
Debt/Asset Ratio: 29.4%
Lease Commitments: Insignificant
Number of Employees: 9,295
Operating Revenue: $320,369
Income: $17,424 (b)
Net Income: $9,991
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 42.7%
Regulation: SEC, ICC

Principal Underwriter(s) – NA

Legal Counsel(s)

Hamrick, Doughton & Newton, NC: fees for 1974–$58;
Macdonald & McInerny, DC: fees for 1974–NA

Transportation Subsidiaries

None

Business Lines	Percent of Operating Revenue	Percent of Income
Trucking	83.1%	88%
Oil Refining	16.4	10
Other	0.5	2

NOTE: All financial data listed above as of 6-30-75.

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	2,789,084	1	2,789,084	4,560

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Travelers Corp<	156,500	5.61	156,500	-
Travelers Indemnity Co (28500)				
Travelers Indemnity Of America (400)				
Travelers Indemnity Of Rhode Island (3900)				
Travelers Insurance Co (35000)				
Travelers Investment Management Co*				
Travelers Equity Fund (20000)				
Massachusetts Company Inc*				
Massachusetts Fund (68700)				
2. Seligman (J & W) & Co+	137,400	4.93	137,400	-
Union Service Co*				
Broad Street Investing Corp (117400)				
Union Capital Fund (20000)				
3. Kemper Family Group	110,000	3.94	110,000	-
Supervised Investors Services Inc*				
Supervised Investors Growth Fund (110000)				
4. Sears Roebuck & Co Emp Profit Sharing Fund	109,700	3.93	109,700	-
5. Tisch Family Group-Loews Corp<	85,000	3.05	85,000	-
Continental Assurance Co (28200)				
Continental Casualty Co (46800)				
National Fire Insur Co Of Hartford (10000)				
6. Davis, Paul P#	67,068	2.40	67,068	-
7. New England Merchants National Bank	66,160	2.37	90,810	-
8. Crum & Foster<	63,000	2.26	63,000	-
International Insurance Co (6000)				
North River Insurance Co (6000)				
United States Fire Insurance Co (35400)				
Westchester Fire Insurance Co (15600)				
9. Mellon Bank NA	50,000	1.79	50,000	-
Special Investors Fund (50000)				
10. National Aviation Corp	48,600	1.74	48,600	-
11. Irving Trust Co	46,800	1.68	46,800	-
12. Wellington Management Co*	44,500	1.60	44,500	-
Windsor Fund (44500)				
13. Bankers Trust Co	43,600	1.56	43,600	-
14. Mercantile Trust Co NA	42,462	1.52	42,462	-
15. Phillips Hager & North Ltd* (Canada)	35,500	1.27	35,500	-
NW Growth Fund Ltd (20000)				
NW Equity Fund Ltd (1500)				
Phillips Hager & North Fund (14000)				
16. Wells, Claude Jr#	27,804	.99	27,804	-
17. Vassar College	24,400A	.87	24,400A	-
18. Mclean Employees' Monthly Investment Plan (Number Of Participants Unknown)	22,115A	.79	22,115A	-
19. Bretherton, L T#	20,826	.74	20,826	-
20. Vance Sanders & Co Inc*	20,000	.71	20,000	-
Diversification Fund (20000)				
21. Foreign & Colonial Investment Tr Co (England)	17,600	.63	17,600	-
22. Ford Foundation	12,000C	.43	12,000C	-
23. Gartmore Investment Ltd* (England)	11,800D	.42	11,800D	-
London & Strathclyde Trust Co (11800D)				
24. Mt Holyoke College	11,000F	.39	11,000F	-
25. Integon Corp<	10,100	.36	10,100	-
Integon General Insurance Co (1000)				
Integon Indemnity Corp (1000)				
Integon Investment Management Corp*				
Integon Growth Fund (8100)				
26. Gordon, Lawrence G#	9,882	.35	9,882	-
27. Pennsylvania Manufacturers Assn Insur Co	8,900	.31	8,900	-
28. Andrews, T W#	7,417	.26	7,417	-
29. Wachovia Bank & Trust Co NA	6,342	.22	18,592	-
30. Glenn, James K#	6,250	.22	6,250	-
31. National City Bank Of Cleveland			8,400	-
TOTALS	1,322,926	47.43%	1,368,026	

TOP 5 SHAREHOLDERS VOTE 21.46% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 32.03% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 39.66% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 43.79% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 46.03% OF THE STOCK.

METROPOLITAN TRANSPORTATION AUTHORITY OF NY

1700 Broadway, New York, NY 10019

Incorporated: New York
Fortune Rank: –
Assets: $588,843
Total Debt: $56,590
Debt/Asset Ratio: 9.6%
Lease Commitments: NA
Number of Employees: 60,000
Operating Revenue: NA
Income: ($69,005) (a)
Net Income: NA
Foreign Operating Revenue: None

Principal Underwriter(s) – None

Legal Counsel(s) – NA

Transportation Subsidiaries

Long Island RR Co (RR-CN)

Foreign Income: None
Income Tax Rate: –
Regulation: None

Control

New York State

Business Lines	Percent of Operating Revenue	Percent of Income
Long Island RR Co	NA	(158.9%)
Other Commuter Railroads	NA	(60.4)
Airports	NA	(4.5)
Triborough Bridge & Tunnel Authority	NA	30.3
Other Operating Revenues	NA	25.7
NY Transit Operating Assistance Program	NA	57.9
NY State Grants	NA	1.7
Other Income	NA	19.1
Other Operating Expenses	–	(10.9)

MIDWESTERN GAS TRANSMISSION CO

Tenneco Bldg., Houston, TX 77002

Incorporated: Delaware
Fortune Rank: –
Assets: $118,476
Total Debt: $36,579
Debt/Asset Ratio: 30.9%
Lease Commitments: None
Number of Employees: 244
Operating Revenue: $170,916
Income: $7,933 (a)
Net Income: $6,520
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 43.7%
Regulation: SEC, FPC

Principal Underwriter(s)

DT (1968)–Stone & Webster Securities Corp

Legal Counsel(s)

Littman, Richter, Wright & Talisman, DC: fees for 1974–$56;
Graham, Meyer, Young, Welsch & Maton, IL: fees for 1974–$12

Transportation Subsidiaries – None

Comments

Major Transactions: Company buys all its gas from Tennessee Gas Pipeline Co (ST) and TRANSCANADA PIPELINES LTD. Company sells gas to Michigan Wisconsin Pipeline Co (ST), Peoples Gas Light & Coke Co, Northern Illinois Gas Co, Northern Indiana Public Service Co, Northern States Power Co, and 8 other distributing companies in the Upper Midwest.

Business Lines	Percent of Operating Revenue	Percent of Income
Natural Gas	90%+	90%+

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	2,235,538	1	2,235,538	6,110

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Tenneco Inc< (PT)	1,869,424	83.62	1,869,424	-
2. Houston National Bank Tenneco Inc Thrift Plan (15489)	16,152	.72	16,152	-
3. Mutual Life Insurance Co Of NY	14,400	.64	14,400	-
4. Lincoln National Corp< Dominion Life Assurance Co-Canada (1080) Lincoln National Life Insurance Co (10200)	11,280	.50	11,280	-

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
5. Tisch Family Group-Loews Corp<	10,800	.48	10,800	-
Continental Assurance Co (5400)				
Continental Casualty Co (5400)				
6. Brogan, John C	9,100	.40	9,100	-
7. State Mutual Life Assur Co Of America<	7,200	.32	7,200	-
8. Aetna Life & Casualty Co	5,400	.24	5,400	-
Aetna Life Insurance Co (5400)				
9. State Farm Mutual Automobile Insur Co< (3600)	5,400	.24	5,400	-
State Farm Fire & Casualty Co (720)				
State Farm Life Insurance Co (1080)				
10. Vans Hardware Inc	5,000	.22	5,000	-
11. Dallas City Employees' Retirement Fund	4,813	.21	4,813	-
12. Stone & Webster Inc<	-	-	-	65,949
Stone & Webster Securities Corp+ (65949)				
13. First Southwest Co+	-	-	-	8,766
14. Loewi & Co Inc+	-	-	-	6,045
15. Merrill Lynch & Co Inc<	-	-	-	4,574
Merrill Lynch Pierce Fenner & Sm+ (4574)				
TOTALS	1,958,969	87.63%	1,958,969	

TOP 5 SHAREHOLDERS VOTE 85.98% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 87.41% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 87.63% OF THE STOCK.

MISSISSIPPI RIVER CORP

990 Clayton Rd., St. Louis, MO 63124

Incorporated: Delaware
Fortune Rank: –
Assets: $1,516,914
Total Debt: $854,354
Debt/Asset Ratio: 56.3%
Lease Commitments: $111,699
Number of Employees: 24,116
Operating Revenue: $1,034,078
Income: $99,900 (b)
Net Income: $44,459
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 33.2%
Regulation: SEC, ICC

Principal Underwriter(s)

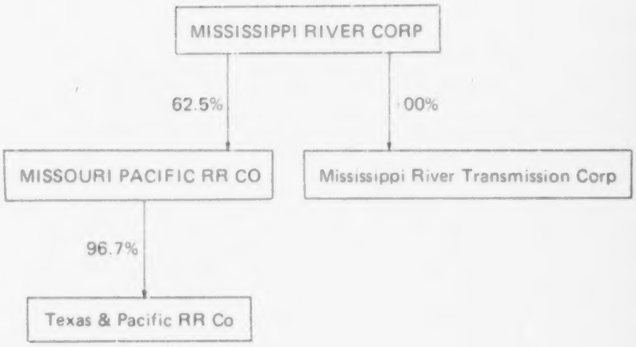
S & DT–Blyth Eastman Dillon

Legal Counsel(s)

NA

Transportation Subsidiaries

Mississippi River Transmission Corp (PG-CN)
MISSOURI PACIFIC RR CO (RR-CN)
Texas & Pacific Ry Co (RR-CN)



Comments

Corporate Structure: In June 1976 Company changed its name to Missouri Pacific Corp. In 1974-75 ALLEGHANY CORP sold to Company its complete holdings in MISSOURI PACIFIC RR CO. In May 1976 Company made a tender offer for all the stock of its 3 railroad subsidiaries. In addition, the ICC rejected the petition of CHICAGO ROCK ISLAND & PACIFIC RR CO that it be included in the 1975-76 merger of Texas & Pacific Ry Co (ST) and Chicago & Eastern Illinois RR Co into MISSOURI PACIFIC RR CO. In April 1976 Company and SOUTHERN RY CO announced a joint study to determine the feasibility and advisability of combining their operations under common corporate ownership and control. Such an agreement would have formed the second longest railroad system in the United States. Discussions were broken off in September 1976.

Major Transactions: Mississippi River Transmission Corp (ST) purchases approximately 64% of its gas from UNITED GAS PIPELINE CO, 12% from Trunkline Gas Co (ST) and 8% from Natural Gas Pipeline Co of America (ST). Under an agreement which extends to 1988 it sells 58% of its gas to Laclede Gas Co, a St. Louis-based utility.

Legal Proceedings: Company has been a staunch opponent of current proposals and legislation to expand barge traffic on the Mississippi and Illinois rivers and to construct coal slurry pipelines from the West into the MISSOURI PACIFIC service area.

Business Lines

	Percent of Operating Revenue	Percent of Income
Railroad	81.6%	80.9%
Natural Gas Pipeline	13.6	17.4
Cement	3.2	8.2
Other	1.7	(6.5)

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	9,026,663	1	9,026,663	23,736

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Capital Research & Management Co* Investment Co Of America (450000)	450,000	4.99	450,000	-
2. Ford Foundation	395,000	4.38	395,000	-
3. Gates Rubber Co< (PT) Financial Programs Inc* Financial Industrial Income Fund (198000) Financial Venture Fund (3000) Financial Dynamics Fund (18000)	219,000	2.43	219,000	-
4. Pioneer Western Corp< Pioneering Management Corp* Pioneer Fund (190000)	190,000	2.10	190,000	-
5. USLIFE Corp< USLIFE Mutual Fds Management Corp* USLIFE Funds (175000)	175,000	1.94	175,000	-
6. Schroders Ltd< (England) Schroder Trust Co Cheapside Dollar Fund Ltd (50000) International Holdings Corp (100000) Schroder Naess & Thomas Inc* Naess & Thomas Special Fund (15000)	165,000	1.83	165,000	-
7. Axe (E W) & Co Inc* Axe-Houghton Fund B Inc (150000)	150,000	1.66	150,000	-
8. Dreyfus Corp* Dreyfus Fund (126600)	126,600	1.40	126,600	-
9. Commerce Bank Of Kansas City (33206) Commerce Mortgage Co (90300)	123,506	1.37	123,506	-
10. North American Companies Pension Fund	100,000	1.11	100,000	-
11. Kemper Family Group* Kemper Investment Co (93131)	93,131	1.03	93,131	-
12. Harvard University	91,460	1.01	91,460	-
13. Lehman Brothers Inc+ One William Street Fund (80000)	80,000	.88	80,000	-
14. Security Benefit Life Insurance Co< Security Management Co Inc* Security Investment Fd (50000)	50,000	.55	50,000	-
15. Mercantile Trust Co NA	48,849	.54	48,849	-
16. Manufacturers National Bank Of Detroit	30,000	.33	30,000	212
17. National Bank Of Detroit	28,524	.31	28,524	-
18. Fritz, Charles & Joyce	24,037	.26	24,037	-
19. Chase Manhattan Bank NA	1,000	.01	39,000	79,261
20. National Bank Of Tulsa	458	-	160,458	-
21. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (138234)	-	-	-	138,234
22. Chemical Bank	-	-	-	81,165
23. First Union Inc< St Louis Union Trust Co (43965)	-	-	-	43,965
24. Cleveland Trust Co	-	-	-	41,573
25. Western Bancorporation< First National Bank Of Oregon (40000)	-	-	-	40,000
TOTALS	2,541,565	28.16%	2,739,565	

TOP 5 SHAREHOLDERS VOTE 15.83% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 23.20% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 27.23% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 28.16% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 28.16% OF THE STOCK.

MISSOURI PACIFIC RR CO

210 N. 13th St., St. Louis, MO 63103

Incorporated: Missouri
Fortune Rank: 16 T
Assets: $1,596,220
Total Debt: $757,298
Debt/Asset Ratio: 47.4%
Lease Commitments: $111,699
Number of Employees: 23,565
Operating Revenue: $889,857
Income: $97,969 (a)
Net Income: $49,722
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 28.4%
Regulation: SEC, ICC

Principal Underwriter(s)

DT–Salomon Brothers

Legal Counsel(s)

Bryan, Cave, McPheeters & McRoberts, MO: fees for 1974–NA

Transportation Subsidiaries

Texas & Pacific RR Co (RR-CN)

Comments

Corporate Structure: See corporate structure diagram and other comments under MISSISSIPPI RIVER CORP.

Business Lines	Percent of Operating Revenue	Percent of Income
Railroad: freight	95.9%	NA
other	4.1	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	4,752,163	1	4,752,163	1,845
$1 CU CV Pfd.	7,754,827	1	7,754,827	3,079
Total Votes Outstanding			12,506,990	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Mississippi River Corp< (PT)	7,811,975	62.46	7,811,975	-
2. Mississippi Lime Co	90,000	.71	90,000	-
3. Ford Foundation	55,000C	.43	55,000C	-
4. N.M.L. Equity Services Inc*	39,200	.31	39,200	-
N.M.L. Fund Inc (39200)				
5. M G I C Investment Corp<	37,500	.29	37,500	-
Commercial Loans Insurance Corp (2500)				
Mortgage Guaranty Insurance Corp (35000)				
6. Le Vasseur, Robert	37,460	.29	37,460	-
7. First National Exchange Bank Of Virginia	29,200	.23	29,200	-
8. Horvath, Michael S	22,485	.17	22,485	-
9. Gussman, Herbert#	22,195	.17	22,195	-
10. Douglas, Clara	20,500	.16	20,500	-
11. Lykes-Youngstown Corp< (PT)	-	-	34,000	-
First National Bank In Palm Beach (34000)				
12. European-American Bank & Trust Co (NY)	-	-	-	492,325
13. Merrill Lynch & Co Inc<	-	-	-	197,814
Merrill Lynch Pierce Fenner & Sm+ (197814)				
14. Dean Witter & Co+	-	-	-	100,656
15. Paine Webber Jackson & Curtis Inc+	-	-	-	52,741
16. First National City Bank (NY)	-	-	-	51,500
17. Kalb Voorhis & Co+	-	-	-	43,050
18. Pershing & Co Inc+	-	-	-	41,875
19. Reynolds Securities Inc+	-	-	-	39,400
20. Swiss Bank Corp	-	-	-	33,800
21. Hutton (E F) & Co Inc+	-	-	-	31,645
22. Goldman Sachs & Co+	-	-	-	29,210
23. Hornblower & Weeks-Hemphill Noyes Inc+	-	-	-	26,255
TOTALS	8,165,515	65.29%	8,199,515	

TOP 5 SHAREHOLDERS VOTE 64.23% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 65.29% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 65.29% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 65.29% OF THE STOCK.

MOBIL OIL CORP

150 E. 42nd St., New York, NY 10017

Incorporated: New York
Fortune Rank: 5
Assets: $14,074,290
Total Debt: $2,542,914
Debt/Asset Ratio: 18.1%
Lease Commitments: $1,058,000
Number of Employees: 73,100
Operating Revenue: $18,929,033
Income: NA
Net Income: $1,047,446
Foreign Operating Revenue: NA
Foreign Income: 65%
Income Tax Rate: 0.8%
Regulation: SEC

Principal Underwriter(s)

S & DT–Morgan Stanley & Co

Legal Counsel(s)

NA

Transportation Subsidiaries

Mobil Pipe Line Co (PO-CN)

Comments

Corporate Structure: In September 1974 Company acquired a 54% interest in Marcor Inc, the parent holding company of Montgomery Ward & Co and Container Corp of America. Marcor's 1974 operating revenues exceeded $4 billion. In June 1976 Company reorganized as a Delaware-chartered holding company called Mobil Corp into which Marcor was merged. In May 1976 Company announced plans to acquire the Irvine Co which has agricultural and real estate operations in California and Montana. Irvine's assets have been valued at between $300 and $500 million. Company is competing in this acquisition with Cadillac Fairview Corp, a Toronto-based real estate developer controlled by the Bronfman interests, and with SMBH&Z Inc, a privately-held Detroit company controlled by Charles Allen, Jr. and A. Alfred Taubman. In January 1976 Company's Venezuelan concessions and facilities were nationalized. In April 1975 Company announced its intention to increase its interest in Aramco, the major Saudi Arabian oil producer, from 10 to 15% over the next 5 years. In February 1976, however, Company and its 3 co-venturers agreed to sell their aggregate 40% interest to the Saudi Arabian government. Company's other transportation operations include a fleet of 132 ocean-going tankers (48 owned, with 39 of these under foreign flags, and 84 chartered) with a total deadweight tonnage of 11,330,000. Company also uses voyage charters.

Joint Ventures: Company is a participant in Seadock Inc (see CITIES SERVICE CO) and has a 5% interest in Alyeska Pipeline Service Co (see ATLANTIC RICHFIELD CO).

Major Transactions: In 1975 Company was the 33rd largest defense contractor with more than $204 million in revenues from military contracts. In June 1976 the United Church of Christ charged Company with selling $20 million in petroleum products annually to Rhodesia in violation of a U.N.-sponsored boycott. Company stated that it was "unable" to verify these charges due to the legal restrictions of South Africa and Rhodesia's official secrets acts.

Legal Proceedings: In order to resolve a dispute over the pricing of jet fuel in Guam, Company agreed under a consent decree to pay $1.9 million in refunds to 3 airlines and a penalty to the Federal Energy Administration.

Payments Disclosure: In June 1976 Company disclosed that Marcor, a Company subsidiary, had made $635,517 in questionable foreign payments between 1971-76. In March 1977 it disclosed additional foreign payments in one country of $196,000 between 1970-75.

Business Lines	Percent of Operating Revenue	Percent of Income
Refined Petroleum Products	70.4%	NA
Crude Oil	18.8	NA
Natural Gas	2.3	NA
Chemicals	0.5	NA
Other Products	1.7	NA
Services	2.2	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Capital	101,858,452	1	101,858,452	226,100

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Bankers Trust Co Mobil Oil Corp Employees' Saving Plan/ 26866 Participants (5490600)	6,712,901	6.59	7,071,000	-
2. Morgan Guaranty Trust Co Mutual Investment Fund Of Conn (20000)	2,520,410	2.47	3,403,097	-
3. Rockefeller Family Interests Rockefeller Foundation (223000) Rockefeller Brothers Fund (257500) Descendants Of John D Jr (1778719) Rockefeller University (11476)	2,270,695	2.23	2,270,695	-
4. Chase Manhattan Bank NA	1,855,000	1.82	2,823,000	-
5. Northern Natural Gas Co (PT)	1,525,565	1.50	1,525,565	-
6. National Bank Of Detroit	1,436,797	1.41	1,574,014	-

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power		Total Managed Holdings	Management Powers Not Identified
	Number of Votes	Percent Total Votes		
7. Prudential Insurance Co Of America< (1377000)	1,420,500	1.39	1,420,500	-
Prudential Property & Casualty (13500)				
Prudential Fund Management Canada Ltd*				
Prudential'S Gibraltar Fund (30000)				
8. National Bank Of Tulsa	1,374,362	1.35	1,482,788	-
9. Harris Trust & Savings Bank	735,114	.72	1,050,188	-
10. Massachusetts Financial Services Inc*	530,000	.52	530,000	-
Massachusetts Investors Trust (300000)				
Mass Investors Growth Stock Fund (200000)				
Mass Income Development Fund Inc (30000)				
11. First National City Bank (NY)	529,574	.51	691,510	-
12. Metropolitan Life Insurance Co (478800)	486,800	.47	486,800	-
Metropolitan Property & Liability (8000)				
13. Marlennan Corp<	457,000	.44	457,000	-
Putnam Management Co*				
Putnam Duofund Inc (12000)				
George Putnam Fund Of Boston Inc (125000)				
Putnam Growth Fund Inc (320000)				
14. Chemical Bank	407,432	.39	752,000	-
15. Sealy & Smith Foundation (Texas)	400,000	.39	400,000	-
16. Fidelity Management & Research Co*	391,400	.38	391,400	-
Puritan Fund Inc (210000)				
Fidelity Fund Inc (155900)				
Salem Fund Inc (10500)				
Fidelity International Fd N V (15000)				
17. Provident National Bank (Penn)	368,807	.36	427,430	-
18. Equitable Life Assurance Society Of The US	339,100	.33	339,100	-
19. Washington National Corp<	300,000	.29	300,000	-
Anchor Corp*				
Fundamental Investors Inc (300000)				
20. Pittsburgh National Bank	285,280	.28	298,336	-
21. Mellon Bank NA	272,977	.26	317,099	-
22. Eberstadt (F) & Co Inc+	255,400	.25	255,400	-
Chemical Fund Inc (253800)				
Accumulation Fund (1600)				
23. First Pennsylvania Bank NA	248,887	.24	508,578	-
24. International Telephone & Telegraph Corp<	248,600	.24	248,600	-
Hartford Accident & Indemnity Co (163100)				
Hartford Casualty Insurance Co (5500)				
Hartford Fire Insurance Co (56000)				
Hartford Life Insurance Co (5000)				
Hartford Variable Annuity Life Insur (3000)				
New York Underwriters Insurance Co (14000)				
Twin City Fire Insurance Co (2000)				
25. Harvard University	248,583	.24	248,583	-
26. Security Pacific National Bank	239,411	.23	264,942	-
27. Texas Teacher Retirement System	232,900G	.22	232,900G	-
28. Hartford National Bank & Trust Co	229,317	.22	238,002	-
29. Seligman (J & W) & Co+	212,500	.20	212,500	-
Union Service Corp*				
Tri-Continental Corp (125000)				
Broad Street Investing Corp (76500)				
Union Income Fund Inc (11000)				
30. Union National Bank Of Pittsburgh	208,281	.20	240,206	-
31. Crocker National Bank	203,855	.20	237,073	-
32. New York Life Insurance Co (201850)	202,850	.19	202,850	-
New York Life Fund Inc (1000)				
33. National City Bank Of Cleveland	201,408	.19	242,331	-
34. Commonwealth Fund	200,000F	.19	200,000F	-
35. United States Fidelity & Guaranty Co	189,000	.18	189,000	-
36. First National Bank Of Minneapolis	184,391	.18	201,692	-
37. Calvin Bullock Ltd*	180,000	.17	180,000	-
Dividend Shares Inc (100000)				
Bullock Fund Ltd (60000)				
Nation-Wide Securities Co Inc (20000)				
38. Continental Illinois National Bank & Trust Co	170,180	.16	187,375	-
39. Continental Investment Corp<	170,000	.16	170,000	-
John P Chase Inc*				
Chase Fund Of Boston (25000)				
Waddell & Reed Inc*				
United Accumulative Fund (95000)				
United Science Fund (50000)				

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS: Voting Power: Number of Votes	MANAGED HOLDINGS: Voting Power: Percent Total Votes	MANAGED HOLDINGS: Total Managed Holdings	ADDITIONAL HOLDINGS: Management Powers Not Identified
40. Wells Fargo Bank NA	169,100	.16	181,049	-
41. Boston Safe Deposit & Trust Co Douglas T Johnston & Co Inc* Johnston Mutual Fund (75000)	161,793	.15	190,833	23,935
42. First National Bank Of Chicago	147,003	.14	177,047	-
43. New England Merchants National Bank	131,331	.12	349,805	-
44. United States Trust Co	127,586X	.12	657,712X	-
45. Marine Midland Bank-New York	-	-	359,184	-
TOTALS	29,182,080	28.65%	34,187,184	

TOP 5 SHAREHOLDERS VOTE 14.61% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 20.01% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 22.25% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 23.90% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 25.15% OF THE STOCK.

MOORE MCCORMACK RESOURCES INC

1 Landmark Sq., Stamford, CT 06901

Incorporated: Delaware
Fortune Rank: 35 T NRF
Assets: $278,169
Total Debt: $63,696
Debt/Asset Ratio: 22.9%
Lease Commitments: $39,314
Number of Employees: 2,600
Operating Revenue: $282,125
Income: $35,160 (a)
Net Income: $25,681
Foreign Operating Revenue: NA
Foreign Income: NA
Income Tax Rate: 32%
Regulation: SEC

Principal Underwriter(s)

DT (subsidiary)—Morgan Stanley & Co

Legal Counsel(s)

See Comments

Transportation Subsidiaries

Moore McCormack Lines Inc (WC-CN)
Interlake Steamship Co (WC-CN)

Comments

Corporate Structure: In December 1974 Company contracted to enlarge 2 of its cargo vessels, increasing their 20-foot container capacity from 199 to 521. Company also had 2 bulk carriers on order from the American Shipbuilding Co aggregating 118,000 gross tons. In July 1975 Company appointed Robert A. Hurwick, formerly associated with the New York law firm of Cravath, Swaine & Moore, as its General Counsel and Secretary.

Changes in Corporate Control: In September 1974 Company purchased a 25.6% block of its then outstanding stock from City Investing Co for $16.6 million. These shares are held in Company's treasury stock.

Capital Structure: In November 1975 Company announced a 2-for-1 stock split.

Joint Ventures: See PANHANDLE EASTERN PIPE LINE CO.

Major Transactions: Together with 2 Brazilian carriers, Company is a party to agreements approved by the U.S. and Brazilian Governments which provide equal access to southbound cargoes generated by the 2 governments. This arrangement includes a revenue sharing agreement. Company also has a 40% share of a conference pooling agreement which reserves to U.S. and Brazilian carriers a large proportion of certain northbound cargoes between Brazilian ports. A revenue pooling agreement with the Argentine state-owned shipping company assures Company access to a substantial portion of U.S.-Argentine waterborne trade. Interlake Steamship Co (ST) transports primarily iron ore on the Great Lakes for 4 iron and steel companies. Company has agreed to purchase and lease 3 oil tankers to a subsidiary of ROYAL DUTCH/SHELL GROUP for 7 year periods. The charter of 2 vessels to the Military Sealift Command terminated in July and September 1974.

Business Lines	Percent of Operating Revenue	Percent of Income
International Cargo Maritime Transp.	38.3%	65.5%
Bulk Maritime Transportation	10.4	8.2
Mngt. of Natural Resource Properties	1.9	6.9
Sale of Products: coal	32.3	19.4
iron ore, limestone	17.1	

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	1,757,754	1	1,757,754	3,045

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Wood Struthers & Winthrop Inc+ Wood Struthers & Winthrop Management Corp* De Vegh Mutual Fund Inc (149900)	149,900	8.53	149,900	-
2. Moore Family & Associates#	23,839E	1.36	23,839E	-
3. O'Brien, Robert E & Family#	21,423E	1.22	21,423E	-
4. Sherwin, John & Family#	18,500E	1.05	18,500E	-
5. Gates Rubber Co< (PT) Financial Programs Inc* Financial Dynamics Fund (10000) Financial Venture Fund (8000)	18,000	1.02	18,000	-
6. Galdi Securities Corp* Mutual Shares Corp (12700)	12,700	.72	12,700	-
7. Piedmont Management Co Inc< Lexington Management Corp* Lexington Growth Fund (7000)	7,000	.39	7,000	-
8. Barker, James R & Family#	5,000E	.28	5,000E	-
9. B-T-S Management & Research Co* Ocean Technology Fund (5000)	5,000	.28	5,000	-
10. Arnold Bernard & Co Inc* Value Line Leveraged Gwth Invest (4000)	4,000	.22	4,000	-
11. Morgan Guaranty Trust Co	-	-	26,500	-
TOTALS	265,362	15.10%	291,862	

TOP 5 SHAREHOLDERS VOTE 13.18% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 15.10% OF THE STOCK.

NATIONAL AIRLINES INC

Miami International Airport, Miami, FL 33159

Incorporated: Florida
Fortune Rank: 26 T
Assets: $547,623
Total Debt: $174,507
Debt/Asset Ratio: 31.9%
Lease Commitments: $238,700
Number of Employees: 7,700
Operating Revenue: $345,294
Income: $23,872 (a)
Net Income: $11,349
Foreign Operating Revenue: Insignificant
Foreign Income: Insignificant
Income Tax Rate: 12.6%
Regulation: SEC, CAB

Principal Underwriter(s)

NA

Legal Counsel(s)

Wilmer, Cutler & Pickering, DC: fees for 1974–$259; McCarthy, Steel, Hector & Davis, FL: fees for 1974–$56

Transportation Subsidiaries

None

Comments

Major Transactions: See OGDEN CORP and WALTER KIDDE & CO INC.

Labor: Company is the most strike-prone firm in the industry. In 1970 Company's 3,300 ticket reservation and station agents struck for 118 days, the machinists walked out for 108 days in 1974, and the flight attendants ended a 127-day strike in January 1976. In March 1976 Company signed the industry's first no-strike agreement with the Air Line Employees Association, Company's largest union.

Business Lines		Percent of Operating Revenue	Percent of Income
Airline:	passenger	81.4%	NA
	mail	0.9	NA
	cargo	3.8	NA
	Mutual Aid Pact	12.5	NA
	other	1.4	NA

NOTE: All financial data listed above as of 6-30-75.

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	8,555,713	1	8,555,713	7,700

NATIONAL AIRLINES INC

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Wachovia Bank & Trust Co NA Southern Bell Tel & Tel Pn Pl (136500) Diversified Equity Common Trust Fund Of Wachovia Bank & Trust Co (100000)	489,210	5.72	493,010	-
2. Maytag Family Associates# Maytag, L B (317177) Maytag, David D (53400) Maytag Family Trusts (64520)	435,077	5.09	435,077	-
3. Dreyfus Corp* Dreyfus Fund (425600)	425,600	4.97	425,600	-
4. Fidelity Management & Research Co* Fidelity Trend Fund (391600) Magellan Fund (2000)	393,600	4.60	393,600	-
5. Capital Research & Management Co* American Mutual Fund (325000) Growth Fund Of America (16400)	341,400	3.99	341,400	-
6. National Aviation Corp	260,000	3.04	260,000	-
7. Swim, Dudley (Estate Of)	238,500B	2.79	238,500B	-
8. Kemper Family Group Supervised Investors Services Inc* Supervised Investors Growth Fd (30000) Technology Fund (177500)	207,500	2.43	207,500	-
9. Continental Investment Corp< Waddell & Reed Inc* United Income Fund (200900)	200,900	2.35	200,900	-
10. Washington National Corp< Anchor Corp* Anchor Growth Fund (200000)	200,000	2.34	200,000	-
11. Ford Foundation	170,000	1.99	170,000	-
12. International Telephone & Telegraph Corp< Hamilton Management Corp* Hamilton Funds (150000)	150,000	1.75	150,000	-
13. National Securities & Research Corp* National Securities Fd-Growth Fd (143100)	143,100	1.67	143,100	-
14. Chase Manhattan Bank NA	135,000	1.58	248,000	59,083
15. INA Corp< Insurance Co Of North America (130000)	130,000	1.52	130,000	-
16. Gates Rubber Co< (PT) Financial Programs Inc* Financial Industrial Fund (53600) Financial Industrial Income Fund (20000) Financial Venture Fund (25000) Financial Dynamics Fund (25000)	123,600	1.44	123,600	-
17. Marks, Robert W	92,448B	1.08	92,448B	-
18. Madison Fund Inc	73,000	.85	73,000	-
19. Bower, Rose & Lewis E	71,928B	.84	71,928B	-
20. Harvard University	70,111B	.81	70,111B	-
21. State Farm Mutual Automobile Insur Co<	50,000	.58	50,000	-
22. Connecticut General Insurance Corp CG Investment Management Co* CG Fund (36500) Companion Fund (12500)	49,000	.57	49,000	-
23. Bank Of America NTSA	48,000	.56	48,000	-
24. First National Bank Of Chicago	46,700	.54	46,700	-
25. Chestnutt Corp* American Investors Fund (46100)	46,100	.53	46,100	-
26. Lutheran Brotherhood (Insurance)	31,500	.36	31,500	-
27. National Bank Of Detroit	30,500	.35	30,500	-
28. First Investors Management Co* First Investors Fund For Growth (30000)	30,000	.35	30,000	-
29. Kettering (Charles F) Foundation	28,000C	.32	28,000C	-
30. Arnold Bernard & Co Inc* Value Line Inc (25000)	25,000	.29	25,000	-
31. Aetna Life & Casualty Co Aetna Life Insurance Co (23500)	23,500	.27	23,500	-
32. Drexel Burnham & Co Inc< Drexel Funds Management Co* Burnham Fund (20000)	20,000	.23	20,000	-
33. Illinois Agricultural Association Country Capital Management Co* Country Capital Investment Fund (18000)	18,000	.21	18,000	-

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
34. Morgan Guaranty Trust Co	14,600	.17	14,600	211,333
35. First National City Bank	-	-	90,100	-
36. Merrill Lynch & Co Inc<	-	-	-	337,456B
Merrill Lynch Pierce Fenner & Sm+ (337456B)				
37. Manufacturers Hanover Trust Co	-	-	-	108,900B
38. Wertheim & Co Inc+	-	-	-	97,247B
39. First Pennsylvania Bank NA	-	-	-	92,600B
40. Continental Illinois National Bank & Trust Co	-	-	-	77,000B
41. Bank Of New York	-	-	-	56,200
42. Chemical Bank	-	-	-	55,442B
43. Bankers Trust Co	-	-	-	49,400B
44. Bache Halsey Stuart Inc+	-	-	-	38,950B
45. Loeb Rhoades & Co+	-	-	-	33,942B
TOTALS	4,811,874	56.24%	5,018,774	

TOP 5 SHAREHOLDERS VOTE 24.37% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 37.31% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 45.82% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 50.85% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 53.66% OF THE STOCK.

NATIONAL CITY LINES INC

P.O. Drawer 17-G, Terminal Annex, Denver, CO 80217

Incorporated: Delaware
Fortune Rank: 47 T
Assets: $107,920
Total Debt: $43,008
Debt/Asset Ratio: 39.9%
Lease Commitments: $16,906
Number of Employees: 10,387 (12-73)
Operating Revenue: $144,438
Income: $1,550 (a)
Net Income: ($11,252)
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 37%
Regulation: SEC, ICC

Principal Underwriter(s)

DT (1971)–Reynolds Securities

Legal Counsel(s)

Reavis & McGrath (General Counsel), NY: fees for 1974–NA

Transportation Subsidiaries

TIME–DC INC (MF-UN)

Comments

Corporate Structure: All of Company's holdings in TIME-DC INC are pledged as collateral security under 2 revolving credit agreements with Continental Illinois National Bank and Trust Co, and 3 other banks. Company attempted to dispose of its investment in TIME-DC in 1975 but reinstated it as a continuing operation in 1976 when it again became profitable. In 1975-76 Company sold its 5 specialized motor carriers, terminating this line of business. In 1974, 45% of Company's specialized motor carrier revenues came from the transportation of automobiles for General Motors Corp.

Business Lines	Percent of Operating Revenue	Percent of Income
Specialized Trucking	61.8%	NA
Mfg. of Auto Replacement Parts & Components	29.0	NA
Urban Transit Management Services	1.3	NA
Urban Passenger Transit	4.2	NA
Other	3.7	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (3-7-75)
Common	1,918,122	1	1,918,122	4,059

NATIONAL CITY LINES INC

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Fitzgerald Family Interests#	124,326	6.48	124,326	–
Fitzgerald, John E & Family (75196)				
Fitzgerald, Sue E (30800)				
Fitzgerald Brothers Foundation (18400)				
2. Carey, Walter F & Family Interests#	60,033	3.13	60,033	–
3. United States Trust Co	46,400X	2.42	61,300X	–
4. Beveridge, Bertram B	45,766	2.39	45,766	–
5. Daily Industries Inc	45,100	2.35	45,100	–
6. Pratt, Douglas M#	25,700	1.34	25,700	–
7. Continental Illinois Natl Bank & Trust Co	18,355	.95	18,355	–
8. Wells Fargo Bank NA	15,196	.79	15,196	–
9. Reavis, Frank C#	11,600	.60	11,600	–
10. Harris Trust & Savings Bank	11,270	.58	32,330	–
11. Arnold Bernard & Co Inc*	10,000	.52	10,000	–
Value Line Income Fd (10000)				
12. Bank Of America NTSA	9,664	.50	13,164	–
13. Gates, Stanley Jr#	9,000	.46	9,000	–
14. Baine, John C#	5,000	.26	5,000	–
15. National Securities & Research Corp*	4,500	.23	4,500	–
National Securities Fd-Balanced Fd (4500)				
16. Stanley, Glen L & Family#	4,000E	.20	4,000E	–
17. Detroit Bank & Trust Co	–	–	–	44,033
TOTALS	445,910	23.25%	485,370	

TOP 5 SHAREHOLDERS VOTE 16.77% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 21.05% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 23.04% OF THE STOCK.

NATIONAL FUEL GAS CO

30 Rockefeller Plz., New York, NY 10020

Incorporated: New Jersey
Fortune Rank: –
Assets: $415,626
Total Debt: $178,437
Debt/Asset Ratio: 42.9%
Lease Commitments: Insignificant
Number of Employees: 4,000
Operating Revenue: $268,856
Income: $27,193 (a)
Net Income: $17,365
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 22.7%
Regulation: SEC

Principal Underwriter(s)

DT–Bache, Halsey Stuart & Co; White, Weld & Co; Kidder, Peabody & Co; L.F. Rothschild & Co

Legal Counsel(s)

LeBoeuf, Lamb, Leiby & MacRae (Gen. Couns.), NY: fees for 1974–NA; Reid & Priest, NY: fees for 1974–NA

Transportation Subsidiaries

National Fuel Gas Supply Corp (PG-CN)

Comments

Joint Ventures: In 1971 Company engaged in joint exploratory drilling operations in Pennsylvania and New York with Consolidated Gas Supply Corp (ST), Weaver Oil & Gas Corp, and a subsidiary of STANDARD OIL CO (INDIANA).

Major Transactions: Company purchases over 50% of its gas from Tennessee Gas Pipeline Co (ST) under long-term contracts expiring in 1988. Another 37% is supplied by Columbia Gas Transmission Corp (ST), Consolidated Gas Supply Corp (ST), TEXAS EASTERN TRANSMISSION CORP, Transcontinental Gas Pipeline Corp (ST), Shell Oil Co, and Valley Gas Transmission Co. In 1974 Company began purchasing 5% of its gas from Ashland Oil Co under a 10-year contract.

Labor: In February 1975 over half of Company's employees went out on strike for a month and a half.

Business Lines	Percent of Operating Revenue	Percent of Income
Natural Gas	99.9%	NA
Petroleum Products	0.1	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (9-30-74)
Common	5,122,515	1	5,122,515	31,207

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Manufacturers Hanover Trust Co Natl Fuel Gas Emps Thrift Pl/3197 Pcts (128534G)	128,534G	2.51	128,534G	95,383G
2. Marlennan Corp< Putnam Management Co* Putnam Income Fd (51000)	51,000	.99	51,000	-
3. Delaware Management Co Inc* Decatur Income Fund (50000)	50,000	.97	50,000	-
4. Zurich Insurance Co (Switzerland)	15,600	.30	15,600	-
5. First Pennsylvania Bank NA	9,124	.17	10,448	-
6. Lincoln National Corp< Dominion Life Assurance Co (8500)	8,500	.16	8,500	-
7. Home Life Insurance Co	8,500	.16	8,500	-
8. Morgan Guaranty Trust Co	-	-	15,213	-
9. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (59247)	-	-	-	59,247
TOTALS	271,258	5.30%	287,795	

TOP 5 SHAREHOLDERS VOTE 4.96% OF THE STOCK.

NATIONAL RR PASSENGER CORP

955 L'Enfant Plz. S.W., Washington, DC 20024

Incorporated: District of Columbia
Fortune Rank: –
Assets: $332,468
Total Debt: $295,129
Debt/Asset Ratio: 88.8%
Lease Commitments: NA
Number of Employees: 8,488
Operating Revenue: $256,910
Income: ($240,789) (a)
Net Income: ($272,697)
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: None
Regulation: ICC

Principal Underwriter(s)

None

Legal Counsel(s)

Hogan & Hartson, DC: fees for 1974–$445; Cleary, Gottlieb, Steen & Hamilton, NY: fees for 1974–$241; Jones, Day, Reavis & Pogue, OH: fees for 1974–$99; Clifford, Warnke, Glass, McIlwaine & Finney, DC: fees for 1974–$88

Transportation Subsidiaries

None

Control

Ten of the 13 directors represent the United States Government; nine are appointed by the President (with the advice and consent of the Senate) and the tenth is the Secretary of Transportation who serves ex officio. The other three directors are elected by the four railroads that own all of the Company's outstanding common stock as follows: CHICAGO MILWAUKEE CORP* (6.33%); CANADIAN NATIONAL RY CO* (2.22%); BURLINGTON NORTHERN INC (35.64%); and Penn Central Transportation Co (55.81%). However no single railroad can vote more than one third of the outstanding common shares.

Comments

Corporate Structure: Company was created under the National Rail Passenger Service Act of October 30, 1970 as a quasi-public corporation. It is subsidized through Federal operating grants and can enter into U.S. government guaranteed debt and lease obligations of up to $900 million. Data is not available for 1974, but a breakdown of 1975 operating revenues by business line shows passenger transportation contributing 87%, dining and buffet services 6%, and mail, express and other, 7%. In September 1976 the Department of Transportation authorized Company to purchase the Boston-Washington northeast rail corridor from ConRail.

Major Transactions: See GREYHOUND CORP and OGDEN CORP.

Business Lines	Percent of Operating Revenue	Percent of Income
Passenger	See Comments	
Dining & Buffet Services		
Mail, Express & Other		

Stock Structure (Private)

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	9,385,693.8	1	9,385,693.8	4

NATOMAS CO
601 California St., San Francisco, CA 94108

Incorporated: California
Fortune Rank: 531
Assets: $380,255
Total Debt: $89,609
Debt/Asset Ratio: 23.6%
Lease Commitments: $14,640
Number of Employees: 600
Operating Revenue: $261,071
Income: $71,693 (e)
Net Income: $65,900
Foreign Operating Revenue: NA
Foreign Income: See Comments
Income Tax Rate: None
Regulation: SEC, ICC & FMC (American President Lines Ltd)

Principal Underwriter(s)
S (1972)—Lehman Brothers

Legal Counsel(s)
Shea & Gardner, DC: fees for 1974–$239

Transportation Subsidiaries
American President Lines Ltd (WC-UN)

Comments
Corporate Structure: In 1974 American President Lines Ltd (ST) carried an estimated 12-15% of the total outbound and inbound commercial cargo between U.S. Pacific coast ports and Far East ports. In 1976 Company announced plans to sell this maritime transportation subsidiary and concentrate on energy investment and development. In 1974 Company obtained 86% of its net income from its Indonesian oil operations. This portion of Company's income may be cut in half by 1977 if the IRS sustains its May 1976 ruling which disallows the use of foreign taxes paid by Company to the Indonesian Government as credits against U.S. income taxes. In September 1976 Company reached a preliminary agreement to acquire Apexco Inc, an oil & gas producer, for $127 million.

Business Lines	Percent of Operating Revenue	Percent of Income
Petroleum Production	68.8%	81.8%
Petroleum Refining & Marketing	29.9	4.7
Maritime Transportation	—	8.2
Real Estate	1.3	2.3
Interest & Other	—	3.1

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (3-10-75)
Common	4,501,172	1	4,501,172	6,536

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS Voting Power Number of Votes	 Percent Total Votes	 Total Managed Holdings	ADDITIONAL HOLDINGS Management Powers Not Identified
1. Bank Of California NA	400,647	8.90	400,647	–
2. Massachusetts Financial Services Inc*	255,200	5.67	255,200	–
Mass Capital Development Fd (13200)				
Mass Financial Development Fd (77000)				
Mass Investors Growth Stock Fd (165000)				
3. Dreyfus Corp*	228,860	5.08	228,860	–
Dreyfus Fund (228860)				
4. Alleghany Corp< (PT)	100,000	2.22	100,000	–
Investors Diversified Services Inc*				
IDS Progressive Fund (100000)				
5. Yale University	90,000B	2.00	90,000B	–
6. Keystone Custodian Funds Inc*	51,200	1.14	51,200	–
Keystone Custodian Fds Series S-4 (51200)				
7. American General Insurance Co<	47,000	1.04	47,000	–
American General Capital Management Inc*				
Enterprise Fund (47000)				
8. Kemper Family Group	33,000	.73	33,000	–
Supervised Investors Services Inc*				
Technology Fund (33000)				
9. Canada Trust Co*	33,000	.73	33,000	–
Canada Tr Pld Pension Fd-Equity (33000)				
10. Standish Ayer & Wood Inc*	29,350	.65	29,350	–
Ivy Fund (29350)				
11. Fleishhacker, Mortimer#	27,830E	.61	27,830E	–
12. International Systems & Control Corp<	22,000	.48	22,000	–
Investors Counsel Inc*				
Capital Shares Inc (22000)				
13. Gates Rubber Co< (PT)	21,000	.46	21,000	–
Financial Programs Inc*				
Financial Industrial Fund (10000)				
Financial Venture Fund (1000)				
Financial Dynamics Fund (10000)				

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
14. Mccormack, Douglas#	15,376E	.34	15,376E	-
15. Columbia Management Co* Columbia Growth Fund (11000)	11,000	.24	11,000	-
16. Downe Communications Inc Founders Mutual Depositor Corp* Founders Special Fund (11000)	11,000	.24	11,000	-
17. Ide, Chandler#	10,000E	.22	10,000E	-
18. AGF Management Ltd* (Canada) Canadian Gas & Energy Fd Ltd (9000)	9,000	.19	9,000	-
TOTALS	1,395,463	31.00%	1,395,463	

TOP 5 SHAREHOLDERS VOTE 23.88% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 28.18% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 30.34% OF THE STOCK.

NAVAJO FREIGHT LINES INC

1205 S. Platte Dr., Denver, CO 80223

Incorporated: New Mexico
Fortune Rank: –
Assets: $69,691
Total Debt: $33,322
Debt/Asset Ratio: 47.8%
Lease Commitments: None
Number of Employees: 2,400 (12-75)
Operating Revenue: $115,408
Income: $2,304 (a)
Net Income: $289
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: (55.9%)
Regulation: SEC, ICC

Principal Underwriter(s)

NA

Legal Counsel(s)

Axelrod, Goodman, Steiner & Bazelon, IL: fees for 1974--NA

Transportation Subsidiaries –None

Control

UNITED TRANSPORTATION INVESTMENT CO (87.20%); Carmont Blitz (.48%); A. & V. Hart Foundation (.26%); L.F. Mattingley (.26%); Lloyd E. Bagnell (.22%); Jeff L. Larson# (.22%).

Comments

Corporate Structure: See UNITED TRANSPORTATION INVESTMENT CO.

Business Lines	Percent of Operating Revenue	Percent of Income
Trucking	90%+	90%+

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	1,363,767	1	1,363,767	1,529

NORFOLK & WESTERN RY CO

8 N. Jefferson St., Roanoke, VA 24042

Incorporated: Virginia
Fortune Rank: 14 T
Assets: $2,502,461
Total Debt: $804,561
Debt/Asset Ratio: 32.2%
Lease Commitments: $88,433
Number of Employees: 30,694
Operating Revenue: $1,052,479
Income: $359,947 (a)
Net Income: $113,211
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 33.8%
Regulation: SEC, ICC

Principal Underwriter(s)

S & DT–Salomon Brothers

Legal Counsel(s)

Sidley & Austin, IL: fees for 1974–$210; Bodman, Longley, Bogle, Armstrong & Dahling, MI: fees for 1974–$83

Transportation Subsidiaries

Erie Lackawanna Ry Co (RR-UN)

Comments

Corporate Structure: The transportation of coal, coke and iron ore provides approximately 38% of Company's operating revenues. Company also owns Delaware & Hudson Ry Co, the 38th largest U.S. railroad. In March 1975 Company's President called for the nationalization of part of Penn Central Transportation Co (ST) and other bankrupt Northeastern railroads. Erie Lackawanna Ry Co (ST) has been in reorganization proceedings under Section 77 of the Federal Bankruptcy Act since 1972. During bankruptcy proceedings stockholders lose their power to elect directors and the trustees are appointed by the court. In 1976 Erie Lackawanna was reorganized into ConRail. See also CHESSIE SYSTEM INC and MAPCO INC.

Capital Structure: In September 1976 Company declared a 3-for-1 split of its common stock.

Business Lines	Percent of Operating Revenue	Percent of Income
Railroad: freight	96.2%	NA
other	3.8	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	10,370,932	1	10,370,932	79,436

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Riggs National Bank Penn Central Co/Pennsylvania Co (400485)	400,485	3.86	400,485	4,250
2. First National Bank Of Atlanta Penn Central Co/Pennsylvania Co (400485)	400,485	3.86	400,485	-
3. First National Bank Of Denver Penn Central Co/Pennsylvania Co (400485)	400,485	3.86	400,485	-
4. Capital Research & Management Co* Investment Co Of America (150000) Washington Mutual Investors Fund (42000)	192,000	1.85	192,000	-
5. Norfolk & Western Railway Co Thrift Plan (Participants/Internal Trustees)	172,196	1.66	172,196	-
6. Dreyfus Corp* Dreyfus Fund (139200)	139,200	1.34	139,200	-
7. Delaware Management Co Inc* Delaware Fund (65000) Decatur Fund (55000)	120,000	1.16	120,000	-
8. Lord Abbett & Co* Affiliated Fund (100000)	100,000	.96	100,000	-
9. Yale University	84,000F	.80	84,000F	-
10. American General Insurance Co< American General Capital Management Inc* Channing Shares Inc (10100) Channing Securities Inc (10000) Provident Fund For Income (35000) Fund Of America (5000)	60,100	.57	60,100	-
11. USLIFE Corp< USLIFE Mutual Funds Management Corp* USLIFE Funds (50000)	50,000	.48	50,000	-
12. Eaton & Howard Inc* Eaton & Howard Balanced Fund (35100) Eaton & Howard Income Fund (9000) Admiralty Fund (2000)	46,100	.44	46,100	-
13. Calvin Bullock Ltd* Bullock Fund (30000) Dividend Shares (15000)	45,000	.43	45,000	-
14. National Securities & Research Corp* National Securities Dividend Fund (43400)	43,400	.41	43,400	-
15. Provident National Bank	37,518	.36	43,227	-
16. Nationwide Corps Heritage Securities Inc* Mutual Investing Found-Mif Fund (36700)	36,700	.35	36,700	-
17. First National Exchange Bank Of Virginia	32,947	.31	34,570	-
18. First & Merchants National Bank	30,320	.29	30,736	-
19. Allendale Group< Allendale Mutual Insurance Co (25000)	25,000	.24	25,000	-
20. Gates Rubber Co< (PT) Financial Programs Inc* Financial Industrial Income Fd (20000)	20,000	.19	20,000	-
21. First Pennsylvania Bank NA	9,630	.09	30,395	13,261
22. Chase Manhattan Bank NA	7,000	.06	14,000	64,010
23. United States Trust Co	3,408X	.03	19,359X	28,890
24. Morgan Guaranty Trust Co	600		31,673	166,598
25. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (334389)	-	-	-	334,389
26. Chemical Bank	-	-	-	71,203
27. Bankers Trust Co	-	-	-	60,969

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
28. Manufacturers Hanover Trust Co	-	-	-	53,266
29. Irving Trust Co	-	-	-	52,095
30. Cleveland Trust Co	-	-	-	41,708
31. Dean Witter & Co+	-	-	-	41,253
32. Hutton (E F) & Co Inc+	-	-	-	40,447
33. Paine Webber Jackson & Curtis Inc+	-	-	-	37,896
34. Bache Halsey Stuart Inc+	-	-	-	36,466
35. Pershing & Co Inc+	-	-	-	35,302
36. First National City Bank	-	-	-	30,431
37. Harriman Family Group Brown Brothers Harriman & Co (26378)	-	-	-	26,378
38. Reynolds Securities Inc+	-	-	-	25,574
39. Shearson Hayden Stone Inc<	-	-	-	24,819
40. Girard Trust Bank	-	-	-	24,625
TOTALS	2,456,574	23.69%	2,539,111	

TOP 5 SHAREHOLDERS VOTE 15.10% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 19.95% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 22.09% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 23.49% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 23.69% OF THE STOCK.

NORTH CENTRAL AIRLINES INC

7500 Northliner Dr., Minneapolis, MN 55450

Incorporated: Wisconsin
Fortune Rank: 45 T
Assets: $118,696
Total Debt: $41,033
Debt/Asset Ratio: 34.6%
Lease Commitments: $59,205
Number of Employees: 3,360
Operating Revenue: $151,490
Income: $17,994 (a)
Net Income: $8,204
Foreign Operating Revenue: Insignificant
Foreign Income: Insignificant
Income Tax Rate: 47.7%
Regulation: SEC, CAB

Principal Underwriter(s)

S (1971)—Eberstadt & Co

Legal Counsel(s)

Mason, Kaplan, Edelman, Boreman, Brand & McNulty (Gen. Couns.), MN: fees for 1974—$22; Zuckert, Scoutt & Rasenberger, DC: fees for 1974—$156

Transportation Subsidiaries

None

Business Lines		Percent of Operating Revenue	Percent of Income
Airline:	passenger	81.9%	NA
	freight & express	5.4	NA
	subsidies	8.0	NA
	mail	1.3	NA
	non-scheduled service & other	3.4	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (2-13-75)
Common	12,311,852	1	12,311,852	35,235

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Carr, Hal N#	241,058	1.96	241,058	-
2. Costello, Harry H	103,100B	.83	103,100B	-
3. Dow, Henry J	76,972	.62	76,972	-
4. Franklin Resources Inc< Franklin Research Inc• Franklin Cust Funds-Dynatech (50000)	50,000	.40	50,000	-

NORTH CENTRAL AIRLINES INC

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
5. Fishel Family Interests	45,000B	.36	45,000B	-
Fishel Corp (45000B)				
6. Phillips Family Interests#	41,196	.33	41,196	-
Phillips, Morton B & Family (5345)				
Phillips, Jay & Family (7238)				
Phillips Foundation (29413)				
7. Decoursin, G F#	35,500	.28	35,500	-
8. Northwestern Natl Bk Of Minneapolis	35,218	.28	35,218	-
9. Willett, Kenneth B#	34,303	.27	34,303	-
10. Van Lith, Theodore & Annac	32,320	.26	32,320	-
11. Continental Illinois National Bk & Trust Co	30,100	.24	30,152	-
12. Merrill Lynch & Co Inc<	-	-	-	518,018B
Merrill Lynch Pierce Fenner & Sm+ (518018B)				
13. Pershing & Co Inc+	-	-	-	311,282B
14. Paine Webber Jackson & Curtis Inc+	-	-	-	233,888B
15. Bache Halsey Stuart Inc+	-	-	-	227,082B
16. Hornblower & Weeks-Hemphill Noyes Inc+	-	-	-	168,801B
17. William C Roney & Co+	-	-	-	130,418B
18. Reynolds Securities Inc+	-	-	-	108,924B
19. First Jersey National Bank	-	-	-	100,000B
20. Hutton (E F) & Co Inc+	-	-	-	82,577B
21. Dupont Glore Forgan Inc+	-	-	-	73,786B
22. Dean Witter & Co+	-	-	-	62,564B
23. Bank Of California NA	-	-	-	60,000B
24. Shearson Hayden Stone Inc<	-	-	-	59,212B
25. Becker (A G) & Co Inc+	-	-	-	53,993B
26. Harris Upham & Co Inc+	-	-	-	50,730B
27. Spencer Trask & Co Inc+	-	-	-	37,500B
28. Loewi & Co Inc+	-	-	-	35,574B
29. INA Corp<	-	-	-	35,023B
Blyth Eastman Dillon & Co+ (35023B)				
30. Midatlantic National Bank/Citizens	-	-	-	32,839B
31. Edwards (A G) & Sons Inc+	-	-	-	31,533B
TOTALS	724,767	5.89%	724,819	

TOP 5 SHAREHOLDERS VOTE 4.19% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 5.64% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 5.89% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 5.89% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 5.89% OF THE STOCK.

NORTHERN NATURAL GAS CO

2223 Dodge St., Omaha, NE 68102

Incorporated: Delaware
Fortune Rank: 36 U
Assets: $1,704,802
Total Debt: $616,520
Debt/Asset Ratio: 36.2%
Lease Commitments: Insignificant
Number of Employees: 8,463
Operating Revenue: $1,013,357
Income: NA
Net Income: $120,249
Foreign Operating Revenue: Insignificant
Foreign Income: Insignificant
Income Tax Rate: 48.2%
Regulation: SEC, FPC

Principal Underwriter(s)

DT—Blyth Eastman Dillon; Goldman, Sachs & Co

Legal Counsel(s)

Gallagher, Connor & Boland, DC: fees for 1974—$171; Wolf & Case, DC: fees for 1974—$99; Adams, Jones, Robinson & Malone, KA: fees for 1974—$86

Transportation Subsidiaries

None

Comments

Corporate Structure: Company owns 1,525,565 shares of MOBIL OIL CORP obtained when it sold its Northern Natural Gas Producing Co subsidiary to Mobil.

Capital Structure: In October 1975 Company effected a 2-for-1 split of its common stock in the form of a 100% stock dividend.

Joint Ventures: Company is a participant in a consortium of 15 U.S. and Canadian companies organized as Alaskan Arctic Gas Pipeline Co and Canadian Arctic Gas Pipeline Co. This consortium has proposed to construct a large-diameter natural gas pipeline from the North Slope of Alaska and northern Canada to Canadian and U.S. markets. Company is also a participant with 5 other U.S. gas companies in the complementary project, Northern Border Pipeline Co, which proposes to build and operate a gas pipeline to transport the Alaskan and Canadian Arctic gas from the Canadian border to gas pipeline systems in the Upper Midwest and Eastern United States. This package of projects is contending for FPC approval with 2 alternative proposals presented by EL PASO CO and NORTHWEST ENERGY CO. By law the FPC must submit its final recommendations on the applicant and the route by July 1, 1977. The FPC staff has already indicated its approval of Company's project. Company is also engaged in a joint experimental coal gassification project in Wyoming (see CITIES SERVICE CO).

Major Transactions: Company has separate gas purchase and/or advance payment agreements with EXXON CORP, ATLANTIC RICHFIELD CO, BP Alaska Exploration Inc, Cabot Corp and a division of Allied Chemical Corp for the rights to a part of their future production from leases in the Gulf of Mexico and the Alaskan North Slope.

Business Lines	Percent of Operating Revenue	Percent of Income
Wholesale Natural Gas	43.5%	31.5%
Retail Natural Gas	12.3	4.7
Liquid Fuels	25.7	22.7
Petrochemicals	18.5	37.6
Investments	–	3.5

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	10,965,492	1	10,965,492	31,189

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Omaha National Bank	580,500	5.29	581,673	-
Northern Natural Gas Co Employees' Stock Purchase Pl/3826 Pcts (560331)				
2. Kemper Family Group	304,500	2.78	304,500	-
American Manufacturers Mutual Insur (13000)				
American Motorists Insurance Co (17000)				
Economy Fire & Casualty Co (8000)				
Federal Kemper Insurance Co (1200)				
Federal Kemper Life Assurance Co (500)				
Fidelity Life Association (2500)				
Iowa Kemper Insurance Co (1500)				
Kemper Reinsurance Co (6000)				
Kemper Security Insurance Co (600)				
Lumbermans Mutual Casualty Co (110000)				
National Automobile & Casualty Insur (1000)				
Sequoia Insurance Co (1200)				
Supervised Investors Services Inc*				
Technology Fund (125000)				
Supervised Investors Income Fund (15000)				
American Equity Fund (2000)				
3. Delaware Management Co*	245,000	2.23	245,000	-
Delaware Fund (210000)				
Decatur Income Fund (35000)				
4. Massachusetts Financial Services Inc*	230,000	2.10	230,000	-
Mass Investors Trust (200000)				
Mass Income Development Fd (30000)				
5. Capital Research & Management Co*	220,000	2.01	220,000	-
American Mutual Fund (40000)				
Washington Mutual Investors Fund (100000)				
Income Fund Of America (30000)				
American Balanced Fund (25000)				
American Investment Income Fund (25000)				
6. First & Merchants National Bank	147,064	1.34	147,752	-
7. Continental Investment Corp<	114,400	1.04	114,400	-
Waddell & Reed Inc*				
United Income Fund (114400)				
8. National Securities & Research Corp*	100,000	.91	100,000	-
National Securities Fd-Stock Fd (100000)				
9. Fidelity Management & Research Co*	85,000	.77	85,000	-
Fidelity Cv & Senior Securities Fd (5000)				
Fidelity Trend Fund (75800)				
Salem Fund (5000)				
10. American General Insurance Co<	75,000	.68	75,000	-
American General Capital Mngt Inc*				
Enterprise Fund (50000)				
Provident Fund For Income (25000)				
11. American Express Co<	70,000	.63	70,000	-
American Insurance Co (19260)				
Fireman'S Fund Insurance Co (50740)				

NORTHERN NATURAL GAS CO

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			'ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
12. Gates Rubber Co< (PT)	58,000	.52	58,000	-
Financial Programs Inc*				
Financial Industrial Fund (50000)				
Financial Industrial Income Fund (8000)				
13. Bank Of America NTSA	55,415	.50	68,434	-
14. Provident National Bank	49,174	.44	64,232	-
15. First National Bank Of Chicago	45,315	.41	55,159	-
16. Northwestern Mutual Life Insurance Co	36,875	.33	36,875	-
17. Cornell University	35,000	.31	35,000	-
18. Woodmen Of The World Insurance Society	34,134	.31	34,134	-
19. Princeton University	32,999	.30	32,999	-
20. Swiss Reinsurance Group<	29,000	.26	29,000	-
North American Reinsurance Co (3000)				
North American Reassurance Co (13000)				
Swiss Reinsurance Co (13000)				
21. Mercantile Trust Co NA	26,900	.24	26,900	-
22. United States Trust Co	26,832X	.24	102,844X	-
23. Keystone Custodian Funds Inc*	25,000	.22	25,000	-
Keystone Custodian Fds Series K-1 (10000)				
Keystone Custodian Fds Series S-2 (15000)				
24. First Pennsylvania Bank NA	24,419	.22	48,821	-
25. North Carolina National Bank	24,406	.22	24,931	-
26. Strauss, Willis A#	24,109	.21	24,109	-
27. Fidelity Corp<	22,000	.20	22,000	-
Central National Insur Co Of Omaha (1000)				
Protective Natl Insur Co Of Omaha (500)				
Studley Shupert & Co Inc Of Boston*				
Commonwealth Fd Indenture Trust C (13000)				
Commonwealth Fd Indenture Tr A & B (7500)				
28. Maryland National Bank	20,923	.19	20,923	-
29. Northwestern National Bank Of Minneapolis	20,794	.18	22,294	-
30. Prudential Insurance Co Of America<	20,000	.18	20,000	-
Prudential Fd Management Canada Ltd*				
Prudential'S Gibraltar Fund (20000)				
31. Chase Manhattan Bank NA	17,000	.15	81,000	33,103
32. Continental Illinois Natl Bank & Trust Co	9,900	.09	10,941	151,559
33. First National City Bank	5,028	.04	28,520	-
34. Fidelity Bank (Penn)	-	-	-	212,023
35. Dupont Family Group	-	-	-	188,926
Wilmington Trust Co (188926)				
36. Merrill Lynch & Co Inc<	-	-	-	166,773
Merrill Lynch Pierce Fenner & Sm+ (166773)				
TOTALS	2,814,687	25.67%	3,045,441	

TOP 5 SHAREHOLDERS VOTE 14.41% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 19.16% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 21.70% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 23.23% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 24.39% OF THE STOCK.

NORTHWEST AIRLINES INC

Minneapolis-St. Paul International Airport, St. Paul, MN 55111

Incorporated: Minnesota
Fortune Rank: 18 T
Assets: $1,121,153
Total Debt: $229,000
Debt/Asset Ratio: 20.4%
Lease Commitments: $161,978
Number of Employees: 11,515
Operating Revenue: $758,991
Income: $77,785 (a)
Net Income: $64,748
Foreign Operating Revenue: 25.7%
Foreign Income: NA
Income Tax Rate: 34.2%
Regulation: SEC, CAB

Principal Underwriter(s)

S (1969)–First Boston Corp

Legal Counsel(s)

Dorsey, Marquart, Windhorst, West & Halladay, MN: fees for 1974–$197; Verner, Liipfert, Bernhard & McPherson, DC: fees for 1974–$180

Transportation Subsidiaries

None

Comments

Corporate Structure: Unlike most international airlines, Company is not a member of the International Air Transport Association which sets international rates.

Labor: Company is the second most strike-prone firm in the industry. Since 1965 its pilots have struck for 98 days, the machinists for 43 days and the airline clerks for 163 days. In 2 class action lawsuits charging Company with discriminatory employment practices, the trial judge ruled that Company had violated the Equal Pay Act of 1963 and the Civil Rights Act of 1964. The liabilities could amount to $26 million.

Legal Proceedings: Company is a co-defendant in 2 separate antitrust suits, one brought by a travel agency charging Company and other airlines and travel agencies with monopolizing trade, and another brought by Alaska Airlines Inc charging Company and WESTERN AIR LINES INC with monopolizing service between Seattle and Anchorage with the purpose of eliminating Alaska Airlines as a competitor.

Business Lines

Business Lines		Percent of Operating Revenue	Percent of Income
Airline:	passenger	82.8%	NA
	cargo	10.0	NA
	mail	3.0	NA
	charter & other transp.	3.6	NA
	Mutual Aid Pact	(0.2)	NA
	nontransport	0.7	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	21,604,136	1	21,604,136	18,699

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Alleghany Corp< (PT) IDS Life Insurance Co (134500) Investors Diversified Services Inc• IDS Progressive Fund (210000) Investors Stock Fund (1000000)	1,344,500	6.22	1,344,500	-
2. Dreyfus Corp• Dreyfus Fund (1053800)	1,053,800	4.88	1,053,800	-
3. Capital Research & Management Co• Investment Co Of America (640000) American Mutual Fund (100000) New Perspective Fund (191100) Growth Fund Of America (9000)	940,100	4.35	940,100	-
4. Rowe Price (T) & Associates Inc• Rowe Price (T) Growth Stock Fund (590000)	590,000	2.73	590,000	-
5. Savings Banks Trust Co Institutional Investors Mtl Fd (506200) M.S.B. Fund (16500)	522,700	2.42	522,700	-
6. National Bank Of Detroit	406,141	1.88	453,586	376,660B
7. Morgan Guaranty Trust Co	353,400	1.64	359,000	234,969
8. State Street Research & Management Co• State Street Investment Corp (232900) Federal Street Fund (110000)	342,900	1.59	342,900	-
9. Wisconsin Investment Board	330,803	1.53	330,803	-
10. Washington National Corp< Anchor Corp• Fundamental Investors (300000)	300,000	1.39	300,000	-
11. Chase Manhattan Bank NA	272,000	1.26	667,000	218,249

NORTHWEST AIRLINES INC

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
12. Continental Investment Corp<	217,400	1.01	217,400	-
Waddell & Reed Inc*				
United Accumulative Fund (190000)				
United Vanguard Fund (27400)				
13. Harris Trust & Savings Bank	214,158	.99	214,678	-
14. Aetna Life & Casualty Co	208,100	.96	208,100	-
Aetna Life Insurance Co (156000)				
Aetna Variable Annuity Life Insur (52100)				
15. National Aviation Corp	203,000	.93	203,000	-
16. Massachusetts Financial Services Inc*	200,000	.92	200,000	-
Massachusetts Investors Trust (200000)				
17. Pioneer Western Corp<	193,000	.89	193,000	-
Pioneering Management Corp*				
Pioneer Fund (193000)				
18. Control Data Corp<	164,002	.75	164,002	-
American Credit Indemnity Co Of NY (26000)				
American Health & Life Insurance Co (86002)				
Calvert Fire Insurance Co (14000)				
Cavalier Insurance Corp (38000)				
19. California, University Of	151,128	.69	151,128	-
20. Federated Investors Inc<	150,100	.69	150,100	-
Federated Research Corp*				
Boston Foundation Fund (17500)				
Fourth Empire Fund (40000)				
Lutheran Brotherhood Fund (25000)				
Empire Fund (18600)				
Pacific Standard Fund (10000)				
American Leaders Fund (39000)				
21. Minnesota State Board Of Investment	143,368B	.66	143,368B	-
22. Calvin Bullock Ltd*	135,000	.62	135,000	-
Dividend Shares (50000)				
Bullock Fund (85000)				
23. National Securities & Research Corp*	125,000	.57	125,000	-
National Securities Fd-Growth Fd (125000)				
24. Ford Foundation	120,000C	.55	120,000C	-
25. INA Corp<	112,044	.51	112,044	-
Insurance Co Of North America (102000)				
Horace Mann Investors Inc*				
Horace Mann Fund (10044)				
26. Delaware Management Co Inc*	110,000	.50	110,000	-
Delaware Fund (110000)				
27. Elfun Trusts	100,000	.46	100,000	-
28. Continental Illinois National Bank & Trust Co	95,692	.44	100,182	112,808B
29. International Telephone & Telegraph Corp<	93,000	.43	93,000	-
Hartford Accident & Indemnity Co (45000)				
Hartford Fire Insurance Co (20000)				
Hartford Variable Annuity Life Insur (3000)				
Hamilton Management Corp*				
Hamilton Growth Fund (25000)				
30. Sears Roebuck & Co<	86,940	.40	86,940	-
Allstate Insurance Co (86940)				
31. Nyrop, Donald W#	83,823	.38	83,823	-
32. Texas Teacher Retirement System	80,000G	.37	80,000G	-
33. New York City Comptroller'S Office	77,716H	.35	77,716H	-
34. American Security & Trust Co (DC)	75,970	.35	76,970	6,648B
35. Minnesota Mutual Life Insurance Co	69,614	.32	69,614	-
36. Nationwide Corp<	69,300	.32	69,300	-
Michigan Life Insurance Co (2000)				
National Casualty Co (11300)				
Nationwide Life Insurance Co (15800)				
Nationwide Mutual Fire Insurance Co (14900)				
Nationwide Mutual Insurance Co (25300)				
37. First National Bank Of Minneapolis	62,358	.28	66,758	33,035B
38. Colorado National Bank Of Denver	62,220	.28	67,310	-
39. Wood Struthers & Winthrop Inc*	61,000	.28	61,000	-
Wood Struthers & Winthrop Management Corp*				
De Vegh Mutual Fund (61000)				
40. Case, Hadley & Family Interests#	59,400	.27	59,400	-
41. Northwestern National Bank Of Minneapolis	57,376	.26	94,326	25,409B
42. First National Bank Of Chicago	50,812	.23	57,218	-

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
43. St Paul Companies Inc<	46,000	.21	46,000	-
St Paul Fire & Marine Insurance Co (42000)				
Western Life Insurance Co (4000)				
44. Madison Fund Inc	45,000	.20	45,000	-
45. New York Teachers' Retirement System	43,392	.20	43,392	-
46. Wertheim & Co Inc+ (145095B)	8,000	.03	8,000	145,095B
Wertheim Advisers Inc*				
Willow Fund (8000)				
47. Seattle-First National Bank	4,750	.02	134,750	-
48. Bankers Trust Co	-	-	-	918,740B
49. Merrill Lynch & Co Inc<	-	-	-	614,967
Merrill Lynch Pierce Fenner & Sm+ (614967)				
50. Pershing & Co Inc+	-	-	-	383,019
51. Dupont Family Group	-	-	-	369,014B
Wilmington Trust Co (369014B)				
52. Paine Webber Jackson & Curtis Inc+	-	-	-	257,009
53. United States Trust Co	-	-	-	192,776B
54. Irving Trust Co	-	-	-	187,670B
55. Manufacturers Hanover Trust Co	-	-	-	156,447B
56. Bank Of California NA	-	-	-	154,182B
57. Bank Of New York	-	-	-	150,499
58. Bache Halsey Stuart Inc+	-	-	-	93,117B
59. Hutton (E F) & Co Inc+	-	-	-	90,748B
60. First National Bank Of Maryland	-	-	-	87,032B
TOTALS	10,235,007	47.38%	10,871,908	

TOP 5 SHAREHOLDERS VOTE 20.60% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 28.63% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 33.79% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 37.76% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 40.70% OF THE STOCK.

NORTHWEST ENERGY CO

315 E. 200 St., Salt Lake City, UT 84111

Incorporated: Delaware
Fortune Rank: –
Assets: $405,989
Total Debt: $235,504
Debt/Asset Ratio: 58%
Lease Commitments: Insignificant
Number of Employees: 1,032
Operating Revenue: $275,479
Income: $33,074 (a)
Net Income: $14,379
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 36.1%
Regulation: SEC

Principal Underwriter(s)

S & DT–Loeb, Rhoades & Co

Legal Counsel(s)

Cahill, Gordon & Reindel, NY: fees for 1975–$629; Watkiss & Campbell, UT: fees for 1975–$69

Transportation Subsidiaries

Northwest Pipeline Corp (PG-CN)

Control

Voting Trust (see "Comments"), John G. McMillian, Voting Trustee (80%); Apco Oil Corp (7.5%); Alaska Interstate Co (7.5%); Gulf Interstate Co (3%); Tipperary Corp (2%).

Comments

Corporate Structure: Company was incorporated in February 1974 and became the parent holding company of Northwest Pipeline Corp (ST) in February 1975. Northwest Pipeline consists of the former Northwest Division of El Paso Natural Gas Co (ST) which was divested under court order in February 1974 after a 10-year legal battle. Of the 10 contenders for control over Northwest Pipeline Corp, the court selected the APCO Group, a joint venture between Apco Oil Corp, Alaska Interstate Co, Gulf Interstate Co and Tipperary Corp. The APCO Group's control became applicable to Company when Northwest Pipeline Corp was restructured as a Company subsidiary in February 1975 (see "Control").

Voting Trust: The Voting Trust, which as of 2-28-75 held the voting rights to 80% of Company's stock, was established on May 1, 1974 under a 5-year agreement between El Paso Natural Gas Co (ST), Northwest Pipeline Corp (ST), John G. McMillian, as Voting Trustee, and the 4 members of the APCO Group. El Paso Natural Gas Co agreed to deposit with the Voting Trust 80% of the shares which it received from the sale of its Northwest Division to Northwest Pipeline Corp in exchange for Participation Certificates. These Certificates, which are entitled to dividends but not to voting rights, were then distributed pro rata to the stockholders of El Paso Natural Gas Co. Each Certificate holder can exchange such Certificates for Company's common stock up until the termination of the Voting Trust Agreement in February 1979, provided the holder can demonstrate that he does not beneficially own any stock of EL PASO CO; the parent holding company of El Paso Natural Gas Co. All shares deposited in the Voting Trust must be voted by Mr. McMillian as directed by Company's board of directors. Mr. McMillian is himself the chairman of Company and of Apco Oil Corp. Company directors are principally representatives of the 4 members of the APCO Group.

Changes in Corporate Control: As of April 1977 the holdings of Company's principal stockholders had changed as follows: Voting Trust (57.1%); Apco Oil Corp (12.2%); Gulf Interstate Co (2.4%) and Tipperary Corp (1.6%). Apco Oil Corp increased its holdings through the acquisition of the shares held by Alaska Interstate Co. This acquisition was part of a settlement of litigation over competing tender offer's for Apco's own stock. In 1975 Alaska Interstate had attempted to gain control over Apco in order to combine itself with Apco and Company. This attempt was opposed through a competing offer by Company, which acquired approximately 48% of Apco's stock with a $40 million loan from Citibank. An additional 8% of Apco's stock is owned by Loeb, Rhoades & Co, its partners and related interests. Loeb, Rhoades & Co also acts as Apco and Company's principal underwriter.

Changes in Capital Structure: In December 1975 Company issued 750,000 new shares of common stock through Loeb, Rhoades & Co.

Joint Ventures: In July 1976 a Company subsidiary, Alcan Pipeline Co, filed an application with the FPC to build a pipeline from Alaska's Prudhoe Bay to the Alaska-Yukon border as part of a proposed system to transport natural gas from Alaska's North Slope through Canada to major U.S. markets. The project resulted from an agreement between Company and 3 Canadian companies, West Coast Transmission Co Ltd, Albertas Gas Trunk Line (Canada) Ltd and Foothill Pipe Lines Ltd, which would transport the gas from northern Canada to the Canadian-U.S. border. This project is contending for FPC approval with two alternative proposals—the Alaskan Arctic Gas Pipeline Co (see NORTHERN NATURAL GAS CO) and a proposal presented by EL PASO CO. By law the FPC must submit its recommendations on the applicant and the route by July 1, 1977. The FPC staff has already indicated its approval of the Alaskan Arctic Project. Company has a 49% interest in Phillips Pacific Chemical Co, a joint venture with PHILLIPS PETROLEUM CO.

Major Transactions: In 1975 Company obtained two-thirds of its gas supply from Western Canada where half its proved reserves are located. In 1975 Company supplied all of the natural gas consumed in the States of Washington, Oregon and Idaho, which accounted for 75% of all its gas sales. The 4 largest of its 21 customers were Northwest Natural Gas Co (20%), Washington Natural Gas Co (18%), Cascade Natural Gas Corp (14%) and a subsidiary of COLORADO INTERSTATE CORP (12%). Company has gas purchase, transportation or exchange agreements with PACIFIC GAS TRANSMISSION CO, STANDARD OIL OF CALIFORNIA and several other companies.

Business Lines	Percent of Operating Revenue	Percent of Income
Natural Gas	96.6%	NA
Other (Primarily Coal)	3.4	NA

Stock Structure

Class	Shares Outstanding (2-28-75)	Votes per Share	Total Votes per Class	Stockholders of Record (2-28-75)
Common	3,491,168	1	3,491,168	1,187

OGDEN CORP

277 Park Ave., New York, NY 10017

Incorporated: Delaware
Fortune Rank: 104
Assets: $875,400
Total Debt: $311,160
Debt/Asset Ratio: 35.5%
Lease Commitments: $92,202
Number of Employees: 35,000
Operating Revenue: $1,858,119
Income: $82,222 (b)
Net Income: $46,623
Foreign Operating Revenue: NA
Foreign Income: NA
Income Tax Rate: 42.3%
Regulation: SEC

Principal Underwriter(s)

DT—Allen & Co

Legal Counsel(s)

Holtzman, Wise & Shepard (General Counsel), NY: fees for 1974—$118

Transportation Subsidiaries

Ogden Marine Inc (WC-CN)

Comments

Corporate Structure: A Company subsidiary, International Products Corp, processes and sells meat products in Paraguay where it owns approximately 1,500,000 acres for cattle ranching. Another Company subsidiary, Ogden Leisure, operates 5 race tracks in 4 states. By November 1976 Company had increased its fleet to 30 ships totalling 1,500,000 deadweight tons, which by its own estimates makes it the 3rd largest U.S. corporate fleet. In December 1976 a Company subsidiary borrowed $100 million from the Prudential Insurance Co of America.

Major Transactions: A Company subsidiary, Avondale Shipyards, the largest employer in Louisiana and the 4th largest shipyard in the United States, has major commercial shipbuilding and refurbishing contracts, one third of which are partially financed by the Commerce Department's Maritime Subsidy Board. Recent contracts include: (1) 3 LNG tankers for subsidiaries of El Paso Natural Gas Co (ST) at a total cost of $309 million, 16.5% of which is being paid by federal subsidies; (2) 6 LASH cargo ships for a subsidiary of FREIGHTERS INC; (3) 5 LASH cargo ships for PRUDENTIAL LINES INC; (4) 6 tankers for Standard Oil Co (Ohio) to transport crude oil between Alaska and west coast ports (2 of which were transferred to EXXON CORP in November 1976); (5) 2 refrigerated cargo vessels for FARRELL LINES INC which are partially funded by a federal subsidy; and (6) 2 auxiliary oil tenders for the U.S. Navy worth $150 million. See also PACIFIC GAS & ELECTRIC CO. Avondale has also built 27 destroyer escorts for the U.S. Navy since 1964. One Company bulk carrier is chartered to the Navy's Sealift Command, constituting approximately 9% of the combined total revenues for the marine subsidiary. In 1975 Company was the 59th largest defense contractor with over $93 million in revenues from military contracts. Three LNG carriers are being built for a unit of Pacific Lighting Corp and will be operated for that company by Ogden Marine under 20-year charters. Japanese and Canadian shipyards are constructing 3 foreign-flag tankers for Company at a cost of approximately $72 million. Company also provides food services to major airlines, with NATIONAL AIRLINES INC as its largest customer. Company's metals division manufactures over 1,000 special-purpose railroad cars a year. A Company subsidiary, Aviation Power Supply, has a contract with NATIONAL RAILROAD PASSENGER CORP to overhaul, repair and maintain their turbine engines.

Labor: In recent years the Equal Employment Opportunity Commission, the U.S. Maritime Administration, and representatives of minority groups and women have brought several suits against Company for discriminatory employment, promotion and training practices. A major action involving Avondale Shipyards, accused of discriminating against Blacks, was resolved with a Consent Decree whereby the Company agreed to refrain from discriminating, pay up to $275,000 in back pay and spend substantial amounts for training minorities.

Payments Disclosure: In March 1976 Company admitted to making approximately $2.6 million in illegal foreign payments and domestic political contributions between 1970-75.

Environment: Several state and federal agencies have filed suits against various Company subsidiaries for violating air and water pollution regulations. The subsidiaries either pleaded no contest to the charges and agreed to take corrective measures, or were fined for damages.

Business Lines	Percent of Operating Revenue	Percent of Income
Metals (Recycling, Aluminum, Copper, Special Metal Products)	55.8%	71.7%
Marine Construction	14.4	18.6
Marine Transportation	4.6	18.0
Marine Terminals	5.3	3.3
Food Products & Services	16.4	7.6
Racetracks	2.0	1.3
Real Estate & Other	1.5	(20.4)

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	9,664,258	1	9,664,258	21,722
Ser. A CU CV Pfd.	827,607	½	413,804	6,504
Ser. B CU CV Pfd.	321,667	½	160,834	6
Total Votes Outstanding			10,238,896	

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Allen Family Group#	1,542,000E	15.06	1,542,000E	-
Allen, Charles Jr (1061154E)				
Allen & Co Associates (480846E)				
2. Edwards, James F & Family Interests#	295,250E	2.88	295,250E	-
3. Klebanoff, Michael & Family Interests#	213,984E	2.09	213,984E	-
4. Dreyfus Corp*	143,800	1.40	143,800	-
Dreyfus Fund Inc (143800)				
5. Albon Family Interest#	133,420E	1.30	133,420E	-
Albon, Ralph E & Family (79150E)				
Albon, Carl S & Family (54270E)				
6. Oriental Express Inc	114,496E	1.12	114,496E	-
7. Ford Foundation	100,000C	.97	100,000C	-
8. Lewis, Tilly & Family#	85,850E	.83	85,850E	-
9. Manufacturers Life Insurance Co (Canada)	76,000	.74	76,000	-
10. Harder, F William#	70,000E	.68	70,000E	-
11. Holtzman, Howard M & Family#	68,200E	.66	68,200E	-
12. Provident National Bank (Penn)	58,961	.57	60,601	-
13. Allfonds Gesellshaft* (West Germany)	50,000	.48	50,000	-
Allfonds (50000)				
14. K A T Y Industries Inc<	25,000	.24	25,000	-
Midland Insurance Co (25000)				
15. Talbot, Durel J	24,000E	.23	24,000E	-
16. Connell, William F#	19,000E	.18	19,000E	-
TOTALS	3,019,961	29.49%	3,021,601	

TOP 5 SHAREHOLDERS VOTE 22.74% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 27.10% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 29.31% OF THE STOCK.

OGLEBAY NORTON CO

1200 Hanna Bldg., Cleveland, OH 44115

Incorporated: Delaware
Fortune Rank: –
Assets: $117,766
Total Debt: None
Debt/Asset Ratio: –
Lease Commitments: $34,158
Number of Employees: 1,557
Operating Revenue: $83,852
Income: NA
Net Income: $8,660
Foreign Operating Revenue: NA
Foreign Income: NA
Income Tax Rate: 39.6%
Regulation: SEC, ICC

Principal Underwriter(s)—NA

Legal Counsel(s)

Thompson, Hine & Flory (Gen. Couns.), OH: fees for 1974–$61; Arter & Hadden, OH: fees for 1974–$23

Transportation Subsidiaries

Columbia Transportation Div (WC-CN)

Comments

Joint Ventures: Company manages the Eveleth Taconite Co, an iron ore producer, as a 15-85 joint venture with Ford Motor Co. In 1974 Company formed a new joint venture, Eveleth Expansion Co, with 3 steel companies including Armco Steel Corp, a major Company stockholder. This joint venture, coupled with new facilities at Eveleth Taconite Co, will more than double the iron ore production of the Eveleth complex.

Major Transactions: Approximately 22% of Company's waterborne transportation revenues comes from the transportation of iron ore for Armco Steel Corp under a long-term contract expiring in 1995, and 15% comes from the transportation of iron ore for Jones & Laughlin Steel Corp under a long-term contract expiring in 1998.

Business Lines	Percent of Operating Revenue	Percent of Income
Iron Ore, Coal, Nonferrous Minerals & Sand	30%	31%
Waterborne Transp. & Terminal Serv.	45	58
Specialized Metal Products	25	11

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	926,218	1	926,218	1,132
Pfd. Ser. A	148,950	1	148,950	11
Pfd. Ser. B	40,000	1	40,000	
Total Votes Outstanding			1,115,168	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Norton Family Interests#	183,448	16.45	183,448	–
White, Fred R Jr & Family (9500)				
Gale, Robert I Jr (20000)				
White-Gale Trusts (42700)				
David Z Norton Co (111248)				
2. Oglebay Family & Associates#	132,818	11.91	132,818	–
Burton, Courtney (116330)				
Rankin, Alfred M (3500)				
Limbocker, John Jr & Family (12988)				
3. Harrison, Arthur F Family & Associates#	98,680	8.85	98,680	–
4. Valley Camp Coal Co	45,458	4.08	45,458	–
5. Central National Bank (Cleveland)	42,495	3.81	194,804	–
6. Armco Steel Corp	40,178	3.60	40,178	–
7. United States Steel Corp (PT)	34,724	3.11	34,724	–
8. Mitchell, D & Family#	24,180	2.17	24,180	–
9. Hay, Edward Ayers	21,330	1.91	21,330	–
10. Gill, Frank P	18,900	1.69	18,900	–
11. National City Bank Of Cleveland	18,811	1.69	27,741	–
12. Paul & Co	17,500	1.57	17,500	–
13. Gorsuch, Charles A	16,830	1.51	16,830	–
14. Bourne, Mary Snow	11,014	.98	11,014	–
15. Charman, Walter M Jr#	9,583	.85	9,583	–
16. Princeton Univ Institute For Advanced Study	6,000	.53	6,000	–
17. Thompson, C Russell	4,300	.38	4,300	–
18. Sloan, Edward W Jr#	2,302E	.20	2,302E	–
19. Cleveland Trust Co	–	–	–	115,715
20. Union Commerce Bank (Cleveland)	–	–	–	45,840
21. Society National Bank Of Cleveland	–	–	–	21,600
TOTALS	728,551	65.33%	889,790	

TOP 5 SHAREHOLDERS VOTE 45.10% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 57.59% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 64.20% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 65.33% OF THE STOCK.

OVERNITE TRANSPORTATION CO

1100 Commerce Rd., Richmond, VA 23224

Incorporated: Virginia
Fortune Rank: —
Assets: $64,815
Total Debt: $11,256
Debt/Asset Ratio: 17.4%
Lease Commitments: None
Number of Employees: 4,488
Operating Revenue: $102,136
Income: $17,367 (a)
Net Income: $8,300
Foreign Operating Revenue: None

Foreign Income: None
Income Tax Rate: 49.7%
Regulation: SEC, ICC

Principal Underwriter(s) – NA

Legal Counsel(s)

Cutchins, Wallingher, Christian & House (General Counsel), VA: fees for 1974—NA

Transportation Subsidiaries – None

Comments

Major Transactions: United Virginia Bank is Company's principal bank.

Business Lines	Percent of Operating Revenue	Percent of Income
Trucking	90%+	90%+

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	2,986,400	1	2,986,400	4,380

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Cochrane, Harwood & Family#	381,891E	12.79	381,891E	-
2. Capital Research & Management Co* Investment Co Of America (145000)	145,000	4.86	145,000	-
3. Sears Roebuck & Co Emp Profit Sharing Fund	134,700	4.51	134,700	-
4. Wellington Management Co* Windsor Fund Inc (100000)	100,000	3.35	100,000	-
5. New York State Common Retirement Fund	75,000	2.51	75,000	-
6. Chemical Bank	67,700	2.27	67,700	-
7. Kettering (Charles F) Foundation	50,000	1.67	50,000	-
8. Seligman (J & W) & Co+ Union Service Corp* Union Capital Fund Inc (40600)	40,600	1.36	40,600	-
9. North Carolina National Bank	39,750	1.33	40,550	-
10. First National Bank (Jackson, Ms)	29,100	.97	29,100	-
11. Richmond Corp+ First Virginia Mngt & Research Corp* First Fund Of Virginia Inc (25000)	25,000	.83	25,000	-
12. Coleman, Granville B	20,000	.66	20,000	-
13. Bank Of America NTSA	18,900	.63	18,900	-
14. United Virginia Bank Overnite Transp Co Retir Plan (16000)	16,000	.53	16,000	10,200
15. State Bond & Mortgage Co* Diversified Fd Of State Bond-Mtge (3000) Progress Fund (8000)	11,000	.36	11,000	-
16. Wertheim & Co Inc+ Wertheim Advisors Inc* Willow Fund Inc (11000)	11,000	.36	11,000	-
17. Continental Illinois National Bk & Tr Co	11,000	.36	11,000	39,000
18. Scott, Sidney Buford*	10,000E	.33	10,000E	-
19. Stone, W Clement Family Interests Combined Insurance Co Of America (10000)	10,000	.33	10,000	-
20. Wachovia Bank & Trust Co NA	9,564	.32	10,364	-
21. Industrial & General Trust Ltd (England)	7,000	.23	7,000	-
22. Manufacturers National Bank Of Detroit	-	-	78,400	1,600
23. Boston Safe & Deposit Trust Co	-	-	25,760	1,100
24. United States Trust Co	-	-	13,000X	-
25. Central National Bank (Richmond, Va)	-	-	12,060	-
26. Chase Manhattan Bank NA	-	-	11,000	5,300
27. Bank Of Montreal	-	-	-	30,000
28. Bankers Trust Co	-	-	-	20,000
29. State Street Bank & Trust Co	-	-	-	14,600
TOTALS	1,213,205	40.62%	1,355,025	

TOP 5 SHAREHOLDERS VOTE 28.01% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 35.62% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 38.66% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 40.39% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 40.62% OF THE STOCK.

OVERSEAS SHIPHOLDING GROUP INC

1114 Ave. of the Americas, New York, NY 10036

Incorporated: Delaware
Fortune Rank: 43 T
Assets: $416,225
Total Debt: $207,967
Debt/Asset Ratio: 50%
Lease Commitments: $120,900
Number of Employees: 1,450
Operating Revenue: $154,712
Income: NA
Net Income: $26,991
Foreign Operating Revenue: 54%
Foreign Income: 64%
Income Tax Rate: 21.8%
Regulation: SEC

Principal Underwriter(s)

S (1972)–Kuhn, Loeb & Co

Legal Counsel(s)

Proskauer Rose Goetz & Mendelsohn (General Counsel), NY: fees for 1974–$50

Transportation Subsidiaries

OSG International Inc (WC-CN)
OSG Bulk Ships Inc (WC-CN)
United Steamship Corp (WC-CN)

Comments

Corporate Structure: Company owns and operates the largest independent unsubsidized U.S. tanker fleet. As transportation of the trans-Alaska pipeline petroleum from Alaska to other U.S. ports will be limited to unsubsidized U.S.-flag tankers, Company expects to account for a large share of the market. As of December 1975 Company's fleet totalled 46 vessels (34 under foreign-flag) with an aggregate capacity of 4,075,000 DWT. An additional 12 vessels (8 under foreign-flag) were on order with a carrying capacity of 703,700 DWT.

Joint Ventures: In June 1976 Company announced the construction of 2 bulk carriers to be jointly owned with Continental Grain Co, to whom they will be chartered for 12 years. The carriers will be built in Japanese shipyards. Continental Grain is controlled by the Fribourg family interests, also a major Company stockholder.

Major Transactions: Company has accounted for 20% of the grain shipments to the Soviet Union since 1972. Company charters for the Military Sealift Command of the U.S. Navy accounted for 18% and 13% of its 1974 and 1975 revenues respectively. Company charters to 2 major oil companies accounted for approximately 23% of 1974 and 1975 revenues. In August 1976 Company chartered 7 tankers to Standard Oil Co (Ohio) for periods of 2 to 3 years to transport Alaskan oil to U.S. ports.

Business Lines	Percent of Operating Revenue	Percent of Income
Maritime Transportation:		
petroleum & petroleum products	66.0%	NA
grain to the Soviet Union	5.0	NA
grain for foreign aid & agri. assistance	2.5	NA
other dry cargo	26.5	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (3-14-75)
Common	9,750,430	1	9,750,430	1,776

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. O-S-C Interests#	3,363,980F	34.50	3,363,980F	-
O-S-C Associates (2478564F)				
Eagle Corp-Panama (392820F)				
Marine Corp-Liberia (266711F)				
J-S-H Associates (8041F)				
Shalom, Stephen & Family (83000F)				
Merkin, Hermann Family Interests (134844F)				
2. Fribourg, Michel Family Group#	1,254,912E	12.87	1,254,912E	-
3. Recanati, Raphael & Family#	734,404F	7.53	734,404F	-
4. Prudential Insurance Co Of America< (221400)	382,900	3.93	382,900	-
Prudential Fund Management Canada Ltd*				
Prudential'S Gibraltar Fund (161500)				
5. INA Corp<	229,350	2.35	229,350	-
Insurance Co Of North America (184350)				
Life Insurance Co Of North America (22500)				
Pacific Employers Insurance Co (22500)				
6. First National Bank In Dallas	139,950	1.44	139,950	-
7. Bank Of America NTSA	97,600	1.00	112,600	-
8. Keystone Custodian Funds Inc*	90,000	.92	90,000	-
Keystone Custodian Fds Series S-4 (90000)				
9. Aetna Life & Casualty Co	74,400	.76	74,400	-
Aetna Life Insurance Co (42900)				
Aetna Investment Management Co*				
Aetna Fund Inc (31500)				
10. Pennsylvania, University Of	54,080F	.55	54,080F	-
11. Feder, Morris & Family#	52,027F	.53	52,027F	-

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
12. Hyman, Morton P#	50,150F	.51	50,150F	-
13. Hettena, Ran & Family#	48,720F	.49	48,720F	-
14. First National Bank Of Akron	42,300	.43	42,300	-
15. Equitable Life Assurance Society Of The US	35,000	.35	35,000	-
16. Kliger, Milton R & Family#	30,795F	.31	30,795F	-
17. Gates Rubber Co< (PT)	24,350	.24	24,350	-
Financial Programs Inc*				
Financial Dynamics Fund (24350)				
18. Reliance Group Inc<	22,000	.22	22,000	-
Reliance Standard Life Insurance Co (22000)				
19. Wells Fargo Bank NA	21,350	.21	21,350	-
20. Chase Manhattan Bank NA	-	-	146,000	-
21. Security Pacific National Bank	-	-	22,500	-
TOTALS	6,748,268	69.21%	6,931,768	

TOP 5 SHAREHOLDERS VOTE 61.18% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 65.86% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 68.20% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 69.21% OF THE STOCK.

OZARK AIR LINES INC

Box 10007 Lambert Field, St. Louis, MO 63145

Incorporated: Delaware
Fortune Rank: --
Assets: $97,049
Total Debt: $52,338
Debt/Asset Ratio: 53.9%
Lease Commitments: $53,716
Number of Employees: 2,905
Operating Revenue: $117,851
Income: $7,425 (a)
Net Income: $3,287
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 27.7%
Regulation: SEC, CAB

Principal Underwriter(s)

S (1971)–G.H. Walker & Co; Thomson & McKinnon Auchincloss

Legal Counsel(s)

Neale, Newman, Bradshaw & Freeman (Gen. Couns.), MO: fees for 1974–$125; Milbank, Tweed, Hadley & McCloy, NY: fees for 1974–$24

Transportation Subsidiaries – None

Comments

Corporate Structure: In August 1974 Company changed its state of incorporation from Missouri to Delaware.

Labor: In 1973 Company was struck for more than 3 months by the Airline Mechanics Fraternal Association.

Business Lines		Percent of Operating Revenue	Percent of Income
Airline:	passenger	83.4%	NA
	mail	1.6	NA
	cargo	5.1	NA
	charter	2.1	NA
	subsidies	6.9	NA
	Mutual Aid Pact	(0.2)	NA
	other	1.0	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	6,789,294	1	6,789,294	21,849

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Cox Family Interests#	985,217	14.51	985,217	-
Cox (Lester E) Medical Center (962576)				
Cox, Lester L (21641)				
Hulston, J K (1000)				
2. Bachman, Glenn R Family & Associates#	385,115B	5.67	385,115B	-
3. Bradshaw, Paul L & Family#	204,513	3.01	204,513	-
4. Heyne, Arthur G#	155,000	2.28	155,000	-
5. Shaver, Glenn & Evelyn	80,782B	1.19	80,782B	-

OZARK AIRLINES INC

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not identified
6. Frimel, Frank	52,314B	.77	52,314B	-
7. Tabor, Clarence L#	40,116	.59	40,116	-
8. Mueller, Thelma	31,691B	.46	31,691B	-
9. Commerce Bank Of Kansas City NA Cox (Lester E) Medical Center (30000)	30,000	.44	30,000	-
10. Petri, Kenneth M	24,600B	.36	24,600B	-
11. Crane, Edward J#	16,845	.24	16,845	-
12. Rodgers, Paul J#	14,027	.20	14,027	-
13. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (231407)	-	-	-	231,407B
14. Dupont Glore Forgan Inc+	-	-	-	164,467B
15. Bache Halsey Stuart Inc+	-	-	-	131,076B
16. Pershing & Co Inc+	-	-	-	79,337
17. Hutton (E F) & Co Inc+	-	-	-	56,506B
18. Hornblower & Weeks-Hemphill Noyes Inc+	-	-	-	47,600B
19. Reynolds Securities Inc+	-	-	-	47,254B
20. Dean Witter & Co+	-	-	-	45,280B
21. Shearson Hayden Stone Inc<	-	-	-	38,780B
22. Edwards (A G) & Sons Inc+	-	-	-	35,555B
23. Loeb Rhoades & Co+	-	-	-	32,235B
24. Thompson McKinnon Auchincloss Kohlmeyer Inc+	-	-	-	26,999B
TOTALS	2,020,220	29.76%	2,020,220	

TOP 5 SHAREHOLDERS VOTE 26.67% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 29.30% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 29.76% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 29.76% OF THE STOCK.

PACIFIC GAS & ELECTRIC CO

77 Beale St., San Francisco, CA 94106

Incorporated: California
Fortune Rank: 5 U
Assets: $6,019,481
Total Debt: $2,970,846
Debt/Asset Ratio: 49.4%
Lease Commitments: None
Number of Employees: 26,333
Operating Revenue: $1,726,755
Income: $330,609 (a)
Net Income: $261,237
Foreign Operating Revenue: None
Foreign Income: Insignificant
Income Tax Rate: 13.9%
Regulation: SEC, FPC

Principal Underwriter(s)

S & DT–Dean Witter & Co; Blyth Eastman Dillon & Co

Legal Counsel(s)

Hunton, Williams, Gay & Gibson, VA: fees for 1974–$168;
McCutchen, Doyle, Brown & Enersen, CA: fees for 1974–$87

Transportation Subsidiaries

PACIFIC GAS TRANSMISSION CO (PG-UN)

Comments

Corporate Structure: Company operates 2 nuclear and 4 geothermal power plants. In 1976 Company spent over $430,000 in a campaign to defeat Proposition 15 on the California state ballot which would have restricted the proliferation of new nuclear power plants.

Joint Ventures: Through a Canadian subsidiary Company is a participant in the Alaskan Arctic Gas Pipeline Co (see NORTHERN NATURAL GAS CO). In 1976 Company entered into two 20-year joint ventures with Pacific Lighting Corp to import Indonesian liquified natural gas and to transport and share in liquified natural gas from southern Alaska. Under a tentative agreement the Indonesian gas will be transported in 3 LNG tankers operated and constructed by OGDEN CORP.

Major Transactions: In 1974 and 1975 Company purchased 44% and 42% of its gas from El Paso Natural Gas Co (ST), and 39% and 42% from a Canadian subsidiary through PACIFIC GAS TRANSMISSION CO. In 1974 Company entered into a 10-year agreement with STANDARD OIL CO OF CALIFORNIA to purchase low-sulphur oil. Company is also negotiating with EXXON CORP for a substantial share of its North Slope gas production.

Business Lines	Percent of Operating Revenue	Percent of Income
Electricity	64%	90%
Natural Gas	36	10

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	71,082,041	1	71,082,041	188,484
1st Pfd.	27,598,025	1	27,598,025	100,115
Total Votes Outstanding			98,680,066	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Bank Of California NA Pacific Gas & Electric Co Savings Fd Pl/ 19628 Participants (5166156)	5,542,324	5.62	5,625,627	-
2. Savings Banks Trust Co Member Savings Banks (1180316)	1,180,316	1.20	1,180,316	-
3. Capital Research & Management Co• Investment Co Of America (656000) American Mutual Fund Inc (111000) Washington Mutual Investors Fund (73600) American Investment Income Fund (100000) American Balanced Fund (75000) Endowments Inc (11481)	1,027,081	1.04	1,027,081	-
4. Alleghany Corp< (PT) Investors Diversified Services Inc• Investors Mutual Inc (500000) Investors Stock Fund Inc (400000) Investors Syndicate Of America (86200)	986,200	.99	986,200	-
5. Prudential Insurance Co Of America<	814,275	.82	814,275	-
6. Crocker National Bank	798,461	.80	832,706	-
7. Equitable Life Assurance Society (760475) Houston General Insur Corp (4000) Traders & General Insur Co (4000) Insurers Indemnity & Insurance Co (1000)	769,475	.77	769,475	-
8. New York Life Insurance Co	764,005	.77	764,005	-
9. Bank Of America NTSA	707,300	.71	877,943	-
10. Wells Fargo Bank NA	697,959	.70	792,033	-
11. First National Bank Of Chicago	622,255	.63	736,239	-
12. Continental Corp< Buckeye Union Insurance Co (50000) Commercial Insur Co Of Newark (60000) Firemen'S Insurance Co Of Newark (21900) First Insurance Co Of Hawaii Ltd (15000) National-Ben Franklin Insur Co-Ill (150000) Pacific Insurance Co (180672)	477,572	.48	477,572	-
13. Wellington Management Co• Windsor Fund Inc (278400) Wellesley Income Fund (45000) Gemini Fund Inc (33000)	356,400	.36	356,400	-
14. Harris Trust & Savings Bank	347,179	.35	383,751	-
15. California, University Of	342,351F	.34	342,351F	-
16. Boston Safe Deposit & Trust Co	326,965	.33	336,353	-
17. Security Pacific National Bank	324,860	.32	370,290	-
18. American Express Co< American Automobile Insurance Co (47000) American Insurance Co (95466) Associated Indemnity Corp (9400) Fireman'S Fund Insurance Co (140266) Fireman'S Fund American Life Insur (26666)	318,798	.32	318,798	-
19. Aetna Life & Casualty Co (194982) Aetna Life Insurance Co (28178) Aetna Variable Annuity Life Insur (72300) Aetna Investment Management Inc• Aetna Income Shares (5000)	300,460	.30	300,460	-
20. First National Bank Of Boston	265,100	.26	314,400	-
21. American General Insurance Co< American General Insurance Co Of NY (2500) American General Insur Co Of Del (10000) California-Western States Life (52865) Fidelity & Deposit Co Of Maryland (17300) Life & Casualty Insurance Co Of Tenn (1000) American General Insur Co Of Texas (10000) American General Capital Management Inc• Harbor Fund (107200) Provident Fund For Income (42000) Mosher Inc (12000)	254,865	.25	254,865	-
22. Metropolitan Life Insurance Co	251,446	.25	251,446	-
23. California Employees' Retirement Systems	231,500F	.23	231,500F	-
24. General Accident Fire & Life-England (101025) Camden Fire Insurance Assn (25000) Potomac Insurance Co (76336)	202,361	.20	202,361	-

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
25. Tisch Family Group-Loews Corp<	201,300	.20	201,300	-
American Casualty Co Of Reading (20000)				
CNA Casualty Co Of California (20000)				
Continental Assurance Co (7000)				
Continental Casualty Co (120000)				
National Fire Insur Co-Hartford (3900)				
Transcontinental Insurance Co (10400)				
Valley Forge Insurance Co (20000)				
26. Continental Investment Corp<	200,000	.20	200,000	-
Waddell & Reed Inc•				
United Income Fund (150000)				
United Continental Income Fund (50000)				
27. N L T Corp<	180,900	.18	180,900	-
National Life & Accident Insur Co (179300)				
National Property Owners Insur Co (1600)				
28. Ohio Casualty Corp<	170,100	.17	170,100	-
Ohio Casualty Insurance Co (89800)				
American Fire & Casualty Co (300)				
West American Insurance Co (80000)				
29. SAFECO Corp<	169,000	.17	169,000	-
General Insurance Co Of America (105000)				
SAFECO Insurance Co Of America (64000)				
30. Yale University	164,000F	.16	164,000F	-
31. Continental Illinois National Bank & Trust Co	142,812	.14	156,752	-
32. Mercantile Trust Co NA (St Louis)	139,066	.14	139,066	-
33. Seattle-First National Bank	100,829	.10	272,377	-
34. New England Merchants National Bank	92,030	.09	150,291	-
35. Chase Manhattan Bank NA	66,000	.06	341,000	174,825
36. Merrill Lynch & Co Inc<	-	-	-	710,894
Merrill Lynch Pierce Fenner & Sm+ (710894)				
TOTALS	19,535,536	19.80%	20,691,232	

TOP 5 SHAREHOLDERS VOTE 9.68% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 13.47% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 15.64% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 17.20% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 18.35% OF THE STOCK.

PACIFIC GAS TRANSMISSION CO

245 Market St., San Francisco, CA 94106

Incorporated: California
Fortune Rank: –
Assets: $186,703
Total Debt: $95,111
Debt/Asset Ratio: 50.9%
Lease Commitments: None
Number of Employees: 195
Operating Revenue: $227,362
Income: $9,958 (a)
Net Income: $6,489
Foreign Operating Revenue: None

Foreign Income: 14.5%
Income Tax Rate: 35.1%
Regulation: SEC, FPC

Principal Underwriter(s)

DT (1971)–Blyth Eastman Dillon & Co; Dean Witter & Co

Legal Counsel(s)

Winston, Cashatt, Repsold, McNichols, Connelly & Driscoll, WA: fees for 1974–$7; Dezendorf, Spears, Lubersky & Campbell, OR: fees for 1974–$6; Patterson, Belknap, Farmer & Shibley, DC: fees for 1974–$4

Transportation Subsidiaries —None

Comments

Major Transactions: Company acquires all its gas from Alberta and Southern Gas Co Ltd, a wholly owned Canadian subsidiary of PACIFIC GAS & ELECTRIC CO, and in turn sells all of it to PACIFIC GAS & ELECTRIC CO. Company also transports gas for Northwest Pipeline Corp (ST).

Business Lines		Percent of Operating Revenue	Percent of Income
Natural Gas	sales	99.6%	NA
	transportation	0.4	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	4,064,490	1	4,064,490	6,819

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Pacific Gas & Electric Co (PT)	2,140,263	52.66	2,140,263	-
2. Montana Power Co	83,685	2.06	83,685	-
3. Nickle Family Interests# Nickle, C O (9500) Conventures Limited-Canada (20000)	29,500	.72	29,500	-
4. Corrugated Products Ltd (Canada)	25,000	.61	25,000	-
5. Wells Fargo Bank NA	13,536	.33	18,637	-
6. Fink, Harold B & Thelma F	11,500	.28	11,500	-
7. Bank Of America NTSA	8,738	.21	10,139	-
8. Dean Witter & Co+	-	-	-	28,040
9. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (26951)	-	-	-	26,951
10. First National Bank Of Denver	-	-	-	20,900
11. Crocker National Bank	-	-	-	13,500
TOTALS	2,312,222	56.89%	2,318,724	

TOP 5 SHAREHOLDERS VOTE 56.39% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 56.89% OF THE STOCK.

PACIFIC TRANSPORT CO

Regulation: FMC (States Steamship Co)

Transportation Subsidiaries

States Steamship Co (WC)

Control

No information available.

Comments

A privately-owned company for which no information is available except from published sources.

PAN AMERICAN WORLD AIRWAYS INC

Pam Am Bldg., New York, NY 10017

Incorporated: New York
Fortune Rank: 9 T
Assets: $1,637,261
Total Debt: $936,473
Debt/Asset Ratio: 57.2%
Lease Commitments: $889,757
Number of Employees: 31,400
Operating Revenue: $1,639,416*
Income: ($128,549) (b)
Net Income: ($81,774)
Foreign Operating Revenue: Significant
Foreign Income: Significant
Income Tax Rate: (37.1%)
Regulation: SEC, CAB

Principal Underwriter(s)

DT–Lehman Brothers

Legal Counsel(s)

Reavis, Pogue, Neal & Rose, DC: fees for 1974–$1,347; Cleary, Gottlieb, Steen & Hamilton, NY: fees for 1974–$344; Simpson, Thacher & Bartlett, NY: fees for 1974–$288

Transportation Subsidiaries

None

Comments

Corporate Structure: Until October 1976 Company was the only U.S. scheduled airline which could not operate flights between 2 points in the 48 contiguous U.S. states. In October the CAB granted it its first domestic route between Detroit and Boston. Since 1969 Company has been operating at a loss. Company owns the Intercontinental Hotels Corp, an unconsolidated subsidiary which in 1976 operated 85 hotels or hotel projects in 51 countries. Since 1974 Company has held inconclusive merger studies with AMERICAN AIRLINES INC, EASTERN AIR LINES INC and TRANS WORLD AIRLINES INC. Discussions with AMERICAN were terminated in October 1975. In 1974 Company avoided bankruptcy by entering into a 1-year Secured Credit Agreement with 36 banks. A similar agreement was reached in 1975 with 22 banks. These agreements placed tight restrictions on Company's operations, including the purchase and leasing of planes, and established a maximum debt/asset ratio. In November 1976 the CAB named Company as the U.S. ticket sales agent for Aeroflot, the Soviet airline.

Changes in Corporate Control: In February 1975 Company reached a tentative agreement with the government of Iran whereby Iran would buy a controlling interest in Company's chain of Intercontinental Hotels, provide a direct loan to Company of $245 million, and have the option of purchasing up to 13% of Company's outstanding common stock. Despite U.S. government approval, the agreement was cancelled in the summer of 1975.

Joint Ventures: Company has a joint venture with Avions Marcel Dassault-Breguet Aviation, the largest French plane manufacturer, to market and repair executive aircraft manufactured by the French firm.

Major Transactions: In January 1975 the CAB approved a five year agreement between Company and TRANS WORLD AIRLINES INC to exchange their Pacific and Atlantic routes. The exchange is being challenged in court by NORTHWEST AIRLINES INC. Pacific routes now account for 38% of Company's airlines operations. In 1975 Company was the 58th largest defense contractor, with almost $96 million in revenues from military contracts. See also AMERICAN AIRLINES INC and WALTER KIDDE & CO INC.

Labor: Since 1969 Company's size has declined by 25% and its airline work force has been cut from 39,000 to 27,500 through massive layoffs. Subsequently, Company has been the subject of several suits charging it with race, sex and age discrimination in its employment practices.

Legal Proceedings: In 1976 Company was indicted by a federal grand jury for illegally transporting dangerous chemicals which caused the crash of one of its planes and the death of 3 employees.

Payments Disclosure: In August 1976 Company disclosed that it had made $116,000 in questionable payments between 1971-76.

Business Lines		Percent of Operating Revenue*	Percent of Income
Airline:	passenger	64.6%	(106.3%)
	freight	13.8	
	mail	3.4	
	charter	8.8	
	other	2.9	
	Mutual Aid Pact	(0.2)	
Hotel Operations		6.8	6.3

*Includes hotel operations.

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (2-28-75)
Capital	40,871,286	1	40,871,286	158,123

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS: Voting Power: Number of Votes	MANAGED HOLDINGS: Voting Power: Percent Total Votes	MANAGED HOLDINGS: Total Managed Holdings	ADDITIONAL HOLDINGS: Management Powers Not Identified
1. Dreyfus Corp*	1,481,800	3.63	1,481,800	-
Dreyfus Fund (1481800)				
2. Resorts International Inc	1,200,000	2.94	1,200,000	-
3. Gruner, Richard (Liechtenstein)	550,000B	1.35	550,000B	-
4. Prudential Insurance Co Of America<	420,000	1.03	420,000	-
5. National Aviation Corp	146,400	.35	146,400	-
6. Eaton & Howard Inc*	100,000	.24	100,000	-
Eaton & Howard Special Fund (100000)				
7. Woodmen Of The World Insurance Society	78,200	.19	78,200	-
8. Chase Manhattan Bank NA	-	-	47,000	543,756B
9. Morgan Guaranty Trust Co	-	-	25,600	69,422B
10. Merrill Lynch & Co Inc<	-	-	-	3,250,603
Merrill Lynch Pierce Fenner & Sm+ (3250603)				
11. Northwestern National Bank Of Minneapolis	-	-	-	1,526,300B
12. Bache Halsey Stuart Inc+	-	-	-	761,337B
13. Dean Witter & Co+	-	-	-	637,137
14. Hutton (E F) & Co Inc+	-	-	-	490,519B
15. Shearson Hayden Stone Inc<	-	-	-	373,272B
16. Loeb Rhoades & Co+	-	-	-	326,269B
17. Paine Webber Jackson & Curtis Inc+	-	-	-	323,121B
18. First National City Bank	-	-	-	317,313B
19. Bankers Trust Co	-	-	-	310,300B
20. Thomson Mckinnon Auchincloss Kohlmeyer Inc+	-	-	-	290,379A
21. Reynolds Securities Inc+	-	-	-	279,952B
22. Manufacturers Hanover Trust Co	-	-	-	271,718B
23. Swiss Bank Corp	-	-	-	265,783B
24. Hornblower & Weeks-Hemphill Noyes Inc+	-	-	-	243,514B
25. INA Corp<	-	-	-	238,361B
Blyth Eastman Dillon & Co+ (238361B)				
26. Swiss American Securities Inc+	-	-	-	236,878B
27. Pershing & Co Inc+	-	-	-	229,605B
28. Harriman Family Group	-	-	-	217,659B
Brown Brothers Harriman & Co (217659B)				
29. Firestone Bank	-	-	-	214,800
30. Dupont Glore Forgan Inc+	-	-	-	170,538B
31. Kidder Peabody & Co Inc+	-	-	-	160,329A
32. Harris Upham & Co Inc+	-	-	-	152,463A
TOTALS	3,976,400	9.73%	4,049,000	

TOP 5 SHAREHOLDERS VOTE 9.29% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 9.73% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 9.73% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 9.73% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 9.73% OF THE STOCK.

PANHANDLE EASTERN PIPE LINE CO

3000 Bissonnet Ave., Houston, TX 77005

Incorporated: Delaware
Fortune Rank: 45 U
Assets: $1,517,635
Total Debt: $811,263
Debt/Asset Ratio: 53.5%
Lease Commitments: None
Number of Employees: 3,700
Operating Revenue: $563,588
Income: $117,969 (a)
Net Income: $68,969
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 33.5%
Regulation: SEC, FPC

Principal Underwriter(s)

DT–Kidder, Peabody & Co; Merrill Lynch

Legal Counsel(s)

Patterson, Belknap, Farmer & Shibley, DC: fees for 1974–$162;
Milbank, Tweed, Hadley & McCloy, NY: fees for 1974–$37

Transportation Subsidiaries

Trunkline Gas Co (PG-CN)

Comments

Corporate Structure: In January 1976 Company fully entered the coal industry by acquiring the Youghioghery and Ohio Coal Co which had 1975 revenues of $59.1 million and reserves of over 400 million tons in Virginia, Ohio and Pennsylvania (see also "Major Transactions").

Joint Ventures: Company and Natural Gas Pipeline Co of America (ST) jointly own Stingray Pipeline Co which operates a major underwater pipeline in the Gulf of Mexico. Company is a participant in the Alaskan Arctic Gas Pipeline Co (see NORTHERN NATURAL GAS CO). Company is a member of COGAS (see CONSOLIDATED NATURAL GAS CO). In 1976 Company entered a joint venture with General Dynamics Corp and MOORE MCCORMACK RESOURCES INC to build and operate 2 tankers to transport Algerian natural gas to the United States (see "Major Transactions"). In December 1976 Company and Peabody Coal Co formed a joint venture to supply 200 million tons of coal over a 40-year period to Middle South Utilities.

Major Transactions: In 1971-72 Company entered into 2 agreements with Peabody Coal Co which gives it the rights to 665 million tons in coal reserves for a future coal gassification project. In 1975 Company signed a 20-year agreement with the Algerian state-owned oil and gas company to import Algerian natural gas. Company is a major supplier of gas to COLUMBIA GAS SYSTEM INC, CONSOLIDATED NATURAL GAS CO, Mississippi River Transmission Corp (ST), and a utility subsidiary of AMERICAN NATURAL GAS CO.

Business Lines	Percent of Operating Revenue	Percent of Income
Natural Gas	90.0%	NA
Natural Gas Processing & Refined Prod.	3.5	NA
Crude Oil & Other	6.4	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	14,499,171	1	14,499,171	19,839

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Fidelity Management & Research Co* Fidelity Fund (280000) Puritan Fund (215000)	495,000	3.41	495,000	-
2. Panhandle Eastern Pipe Line Co Emps' Stock Pl (Internal Administration)	409,055	2.82	409,055	-
3. Wells Fargo Bank NA	308,998	2.13	314,818	-
4. Ohio State Teachers Retirement System	275,000H	1.90	275,000H	-
5. Capital Research & Management Co* American Mutual Fund (70000) Investment Co Of America (85000) Washington Mutual Fund (88000)	243,000	1.68	243,000	-
6. Lord Abbett & Co* Affiliated Fund (237900)	237,900	1.64	237,900	-
7. Rhode Island Hospital Trust National Bank	226,709	1.56	231,479	-
8. Industrial National Bank Of Rhode Island	179,036	1.23	230,851	-
9. Mellon Bank NA	161,946	1.12	166,046	-
10. Seligman (J & W) & Co+ Union Service Corp* Broad Street Investng Corp (77000) Tri-Continental Corp (54200)	131,200	.90	131,200	-
11. International Telephone & Telegraph Corp< Hartford Variable Annuity Life Insur (1500) Hamilton Management Corp* Hamilton Funds (120000)	121,500	.83	121,500	-
12. First Pennsylvania Bank NA	100,831	.69	169,181	-

PANHANDLE EASTERN PIPELINE CO

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
13. National Securities & Research Corp*	100,000	.68	100,000	-
National Securities Fd-Stock Fd (100000)				
14. Providence Investors Co	91,000	.62	91,000	-
15. Government Employees Insurance Co (65000)	85,000	.58	85,000	-
Government Emps Life Insurance Co (10000)				
Criterion Insurance Co (10000)				
16. American Express Co<	80,000	.55	80,000	-
American Insurance Co (28000)				
Fireman'S Fund Insurance Co (52000)				
17. Rainier National Bank	71,928	.49	86,688	-
18. Northwestern Mutual Life Insurance Co	70,000	.48	70,000	-
19. Allendale Group<	69,000	.47	69,000	-
Affiliated F M Insurance Co (7000)				
Allendale Mutual Insurance Co (62000)				
20. Crocker National Bank	65,905	.45	68,065	-
21. Bank Of America NTSA	64,020	.44	67,961	-
22. United Bank Of Denver NA	62,954	.43	63,254	-
23. First National Bk & Tr Co (Lincoln, Nebraska)	56,744	.39	56,744	-
24. Scudder Stevens & Clark Co*	55,000	.37	55,000	-
Scudder Duo-Vest Inc (40000)				
Scudder Duo-Vest Exchange Fund (15000)				
25. New England Mutual Life Insurance Co (12000)	51,600	.35	51,600	-
Loomis Sayles & Co Inc*				
Loomis Say'es Mutual Fund (35000)				
NEL Equity Fund (4600)				
26. Princeton University	50,334	.34	50,334	-
27. Calvin Bullock Ltd*	50,000	.34	50,000	-
Dividend Shares Inc (35000)				
Nation-Wide Securities (15000)				
28. South Carolina National Bank	42,988	.29	57,042	-
29. Provident National Bank	41,253	.28	53,917	-
30. General Motors Corp<	40,010	.27	40,010	-
Motors Insurance Corp (40010)				
31. General Reinsurance Corp	35,910	.24	35,910	-
32. Security Pacific National Bank	34,325	.23	39,684	-
33. Hartford National Bank & Trust Co	31,051	.21	37,651	-
34. Central National Bank (Richmond, Virginia)	30,070	.20	30,070	-
35. Richmond Corp<	30,000	.20	30,000	-
Leatherby Insurance Co (15000)				
Life Insurance Co Of Virginia (15000)				
36. Pacific Mutual Life Insurance Co	28,000	.19	28,000	-
37. Mt Holyoke College	26,500	.18	26,500	-
38. United States Trust Co	18,108X	.12	191,244X	-
39. Chase Manhattan Bank NA	12,000	.08	173,000	134,802
40. First National City Bank (NY)	11,977	.08	30,644	-
41. First City National Bank Of Houston	8,309	.05	414,364	-
42. Morgan Guaranty Trust Co	6,320	.04	55,554	-
43. Chemical Bank	-	-	-	621,035
44. Bankers Trust Co	-	-	-	305,600
45. Dupont Family Group	-	-	-	223,117
Wilmington Trust Co (223117)				
TOTALS	4,310,481	29.73%	4,904,211	

TOP 5 SHAREHOLDERS VOTE 11.94% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 18.40% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 21.84% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 24.30% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 26.30% OF THE STOCK.

PENN CENTRAL CO

3 Penn Center Plz., Philadelphia, PA 19102

Incorporated: Pennsylvania
Fortune Rank: –
Assets: $725,952
Total Debt: $84,400
Debt/Asset Ratio: 11.6%
Lease Commitments: None
Number of Employees: NA
Operating Revenue: None
Income: $71 (d)
Net Income: ($172,550)
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: None
Regulation: SEC

Principal Underwriter(s)

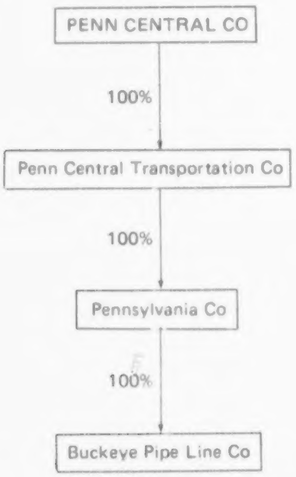
NA

Legal Counsel(s)

Schnader, Harrison, Segal & Lewis, PA: fees for 1974–NA

Transportation Subsidiaries

Penn Central Transportation Co (RR-UN)
Buckeye Pipe Line Co (PO-UN)



Comments

Corporate Structure: Company's sole operations consist of initiating and defending law suits on behalf of Company, representing its interests in the reorganization proceedings of Penn Central Transportation Co (ST), a subsidiary, and performing certain administrative corporate functions. At the end of 1974 Company estimated that unless it received funds from law suits in which it was a plaintiff, or unless Penn Central Transportation Co was reorganized or liquidated in a manner favorable to it, Company would exhaust all its funds by the end of the third quarter of 1975 and would have to consider bankruptcy. In July 1976 Company filed for protection under Chapter XI of the Federal Bankruptcy Act.

Penn Central Transportation Co (ST): In 1970 Penn Central Transportation Co (ST) entered reorganization proceedings under Section 77 of the Federal Bankruptcy Act. During bankruptcy proceedings stockholders lose their power to elect directors and the trustees are appointed by the court. In 1976 most of its railroad property was reorganized into ConRail while it retained its other assets, including a pipeline, a Florida land development company, a coal concern, real estate, interests in amusement parks, trucking companies, hotels, as well as other railroads and the ConRail stock it received from the transfer of its rail property. Penn Central Transportation Co remains in bankruptcy reorganization proceedings, and in December 1976 it filed a reorganization plan in federal court with proposals to settle almost $1 billion in government and individual claims against it. Its trustees claim to have substantial support for the plan from every class of creditors and from the Department of Transportation. The plan has yet to be endorsed by PENN CENTRAL CO, the official owner of Penn Central Transportation Co stock and, as the most junior claimant in the proceedings, the party which stands to fare worst under the terms of the proposal by receiving only 10% of the stock in the reorganized company. The plan must be approved by the court. The reorganized company would continue to litigate for a higher valuation of the railroad property which was turned over to ConRail. The government intends to pay $506 million but the railroad's trustees have valued the property at $7 billion. Penn Central Transportation Co owns 23% of Madison Square Garden Corp. In 1975 it sold to Trump Enterprises Inc 2 inactive rail yards in New York for $67 million and in 1976 sold the Commodore Hotel for $10 million. In 1976 it also petitioned the court for permission to sell a New York building to Union Carbide for $11 million. See also CHESSIE SYSTEM INC and CONSOLIDATED NATURAL GAS CO.

Pennsylvania Co: By ICC order, Pennsylvania Co, a Company subsidiary held through Penn Central Transportation Co, must divest itself of its stockholdings in NORFOLK & WESTERN RY CO by October 15, 1979. In June 1976 Pennsylvania Co's subsidiary Buckeye Pipeline Co (ST) acquired most of the assets of Edgington Oil Co which had sales of $129.8 million in 1975.

Legal Proceedings: In September 1975, 20 different suits brought by the railroad's trustees, debenture holders and shareholders were consolidated and settled through a $12.6 million payment by Company's former directors and officers, investment bankers, accountants and others. In May 1975 the SEC filed a civil action against Company's Penn Central Transportation Co, various subsidiaries and several of Company's former officers and directors charging fraud in connection with the railroad's bankruptcy.

Business Lines	Percent of Operating Revenue	Percent of Income
Interest from Temporary Investments & Trust Funds	–	100%

NOTE: All financial data listed above as of 12-31-73.

Stock Structure

Class	Shares Outstanding	Votes per Share	Total Votes per Class	Stockholders of Record (3-10-75)
Common	24,110,321	1	24,110,321	135,312

PENN CENTRAL CO

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Piszek, Edward J	115,600W	.47	115,600W	-
2. Smith, Richard Joyce Trustee Of The Property Of NY New Haven & Hartford Rr Co	115,600W	.47	115,600W	-
3. Graham, R Walter Jr	68,200W	.28	68,200W	-
4. Polk Brothers Inc	62,500W	.25	62,500W	-
5. Chase Manhattan Bank NA	-	-	46,000	-
6. Swiss Credit Corp	-	-	-	1,704,928W
7. Merrill Lynch & Co Inc<	-	-	-	1,382,957A
Merrill Lynch Pierce Fenner+ (1382957A)				
8. Swiss Bank Corp	-	-	-	785,136W
9. Bache Halsey Stuart Inc+	-	-	-	329,208A
10. Paine Webber Jackson & Curtis Inc+	-	-	-	303,378A
11. Pershing & Co Inc+	-	-	-	197,951A
12. Irving Trust Co	-	-	-	193,257W
13. Dean Witter & Co+	-	-	-	185,439A
14. Hutton (E F) & Co Inc+	-	-	-	173,790A
15. Hornblower & Weeks-Hemphill Noyes Inc+	-	-	-	140,236A
16. Shearson Hayden Stone Inc<	-	-	-	136,061A
17. Loeb Rhoades & Co+	-	-	-	133,622A
18. Thomson Mckinnon Auchincloss & Kolhmeyer Inc+	-	-	-	103,764A
19. Dupont Glore Forgan Inc+	-	-	-	93,389A
20. Reynolds Securities Inc+	-	-	-	81,581A
21. Harris Upham & Co Inc+	-	-	-	66,985A
TOTALS	361,900	1.50%	407,900	

TOP 5 SHAREHOLDERS VOTE 1.50% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 1.50% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 1.50% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 1.50% OF THE STOCK.

PEOPLES GAS CO

122 S. Michigan Ave., Chicago, IL 60603

Incorporated: Illinois
Fortune Rank: 32 U
Assets: $1,983,480
Total Debt: $935,438
Debt/Asset Ratio: 47.2%
Lease Commitments: None
Number of Employees: 6,482
Operating Revenue: $795,776
Income: $154,244 (a)
Net Income: $86,765
Foreign Operating Revenue: Insignificant
Foreign Income: Insignificant
Income Tax Rate: 46.3%
Regulation: SEC

Principal Underwriter(s)

S (1973)—First Boston Corp

Legal Counsel(s)

Hopkins, Sutter, Owen, Mulroy & Davis, IL: fees for 1974—NA

Transportation Subsidiaries

Natural Gas Pipeline Co of America (PG-CN)

Comments

New Ventures: Natural Gas Pipeline Co of America (ST) is considering the construction of 4 coal gassification plants in North Dakota where it is negotiating for the rights to ligneous coal reserves estimated at 1.2 billion tons. It is a participant in two groups selected in June 1976 by the federal Energy Research and Development Administration for the negotiation of contracts to design advanced coal gassification demonstration plants in Illinois and Ohio.

Joint Ventures: Natural Gas Pipeline Co of America is a participant in the Alaskan Arctic Gas Pipeline Co and the Northern Border Pipeline Co (see NORTHERN NATURAL GAS CO), a joint-venturer in the Stingray Pipeline Co (see PANHANDLE EASTERN PIPE LINE CO) and a participant in the High Island Offshore System (see TEXAS GAS TRANSMISSION CORP).

Major Transactions: In 1974 Natural Gas Pipeline Co of America sold over 88% of its gas to 5 utilities, 2 of which are Company subsidiaries. It provides 75% of the gas consumed in the Chicago metropolitan area. Natural has agreements to purchase gas from Colorado Interstate Corp (ST), Great Lakes Gas Transmission Co (ST) and UNITED GAS PIPE LINE CO. Natural has agreements and has made advance payments to purchase future gas production from SHELL OIL CO, STANDARD OIL CO OF CALIFORNIA, Mesa Petroleum Co, Burmah Oil Co, Kerr-McGee Corp and Imperial Oil Ltd (controlled by EXXON CORP). See also Mississippi River Transmission Corp (ST).

Business Lines	Percent of Operating Revenue	Percent of Income
Natural Gas	95.2%	NA
Natural Gas Storage & Transp.	2.8	NA
Other	1.9	NA

NOTE: All financial data listed above as of 9-30-74.

Stock Structure

Class	Shares Outstanding (12-17-74)	Votes per Share	Total Votes per Class	Stockholders of Record (9-30-74)
Common	18,118,415	1	18,118,415	58,497

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power		Total Managed Holdings	Management Powers Not Identified
	Number of Votes	Percent Total Votes		
1. First National Bank Of Chicago	262,189	1.45	329,167	-
2. Chemical Bank	235,539	1.30	305,000	-
3. Lincoln National Corp<	145,700	.80	145,700	-
American States Insurance Co (29200)				
Lincoln National Life Insurance Co (116500)				
4. Harvard University	144,948	.80	144,948	-
5. Neuberger & Berman+	138,800	.76	138,800	-
Cedar Street Consultants Inc*				
Energy Fund (100000)				
Guardian Mutual Fund (38800)				
6. United States Trust Co	134,920X	.74	242,166X	-
7. Continental Illinois National Bank & Trust Co	123,705	.68	162,584	-
8. Walter E Heller International Corp<	121,408	.67	179,107	-
American National Bk & Tr Co (179107)				
9. Dreyfus Corp*	87,200	.48	87,200	-
Dreyfus Fund (87200)				
10. State Farm Mutual Auto Insur Co< (78200)	84,200	.46	84,200	-
State Farm Investment Management Corp*				
State Farm Income Fund (6000)				
11. Harris Trust & Savings Bank	76,720	.42	79,684	-
12. INA Corp<	67,100	.37	67,100	-
Insurance Co Of North America (67100)				
13. Smith Barney & Co Inc+	45,000	.24	45,000	-
Smith Barney Advisors Inc*				
Smith Barney Equity Fund (40000)				
Smith Barney Income & Growth Fd (5000)				
14. New York City Teachers' Retirement System	44,278	.24	44,278	-
15. Princeton University	43,635	.24	43,635	-
16. American Express Co<	43,000	.23	43,000	-
Fireman'S Fund Insurance Co (43000)				
17. National Commercial Bank & Trust Co (Albany)	37,820	.20	37,820	-
18. Virginia National Bank (Norfolk)	35,777	.19	38,377	-
19. Crum & Foster<	33,500	.18	33,500	-
Constitution Reinsurance Corp (6000)				
International Insurance Co (4000)				
North River Insurance Co (7000)				
United States Fire Insurance Co (10500)				
Westchester Fire Insurance (6000)				
20. Security Pacific National Bank	33,436	.18	54,946	-
21. Chase Manhattan Bank NA	12,000	.06	77,000	-
22. Worcester County National Bank	-	-	45,698	-
TOTALS	1,950,875	10.77%	2,428,910	

TOP 5 SHAREHOLDERS VOTE 5.12% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 8.16% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 9.69% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 10.70% OF THE STOCK.

PEPSICO INC

Purchase, NY 10577

Incorporated: Delaware
Fortune Rank: 89
Assets: $1,380,029
Total Debt: $466,408
Debt/Asset Ratio: 33.8%
Lease Commitments: NA
Number of Employees: 49,000
Operating Revenue: $2,080,759
Income: $887,734 (a)
Net Income: $87,419
Foreign Operating Revenue: 22%
Foreign Income: 24%
Income Tax Rate: 28.4%
Regulation: SEC

Principal Underwriter(s)

DT–Salomon Brothers; Allen & Co; Goldman, Sachs & Co; Lazard Freres & Co; Merrill Lynch

Legal Counsel(s)

Mudge, Rose, Guthrie & Alexander, NY: fees for 1973–$181

Transportation Subsidiaries

North American Van Lines Inc (MF-CN)

Comments

Corporate Structure: In August 1976 Company acquired LEE WAY MOTOR FREIGHT CO.

Legal Proceedings: In 1971 the Federal Trade Commission issued complaints against Company and 7 other soft drink manufacturers alleging that exclusive territorial restrictions imposed upon soft drink bottlers in the United States constituted a restraint of trade. In 1975 the FTC appealed the dismissal of the complaint.

Payments Disclosure: In December 1976 Company disclosed that it made $1.7 million in "sensitive" payments abroad over the last 5 years.

Business Lines	Percent of Operating Revenue	Percent of Income
Beverage	45%	56%
Food	31	22
Transportation (Primarily Trucking)	10	8
Sporting Goods	10	13
Leasing	4	1

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (3-1-75)
Capital	23,722,950	1	23,722,950	44,000

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Morgan Guaranty Trust Co	2,048,775	8.64	2,256,745	-
General Elect S&S Prog Mut Fd (110000)				
2. Bankers Trust Co	545,628	2.30	762,000	-
3. Massachusetts Financial Services Inc*	515,000	2.17	515,000	-
Mass Financial Devel Fd (40000)				
Mass Investors Gwth Stock Fd (275000)				
Mass Investors Trust (200000)				
4. Lay, Herman W#	391,683E	1.65	391,683E	-
5. New York State Teachers' Retirement System	378,300	1.59	378,300	-
6. Prudential Insur Co Of Am< (366000)	376,000	1.58	376,000	-
Prudential Fd Mngt Canada Ltd*				
Prudential'S Gibraltar Fd (10000)				
7. Seligman (J&W) & Co+	360,900	1.52	360,900	-
Union Service Corp*				
National Investors Corp (200900)				
Tri-Continental Corp (160000)				
8. Continental Illinois National Bk & Tr Co	348,549	1.47	351,399	-
9. Harris Tr & Savings Bank	309,045	1.30	385,475	-
10. Rowe Price (T) & Associates Inc*	270,000	1.14	270,000	-
Rowe Price (T) Gwth Stock Fd (270000)				
11. Chase Manhattan Bk NA	256,000	1.08	474,000	-
12. Manufacturers National Bank Of Detroit	211,194	.89	240,840	-
13. Alleghany Corp< (PT)	200,000	.84	200,000	-
Investors Diversified Services Inc*				
Investors Mutual (200000)				
14. Republic National Bank Of Dallas	142,699	.60	142,699	-
15. Hartford National Bank & Trust Co	122,391	.51	134,641	-
16. Sears Roebuck & Co<	102,200	.43	102,200	-
Allstate Insur Co (102200)				
17. Merrill Lynch & Co Inc<	94,000F	.39	94,000F	-
Lionel D Edie & Co Inc*				
Lionel D Edie Capital Fd (65000F)				
Fundamerica Of Japan (16000F)				
Hartford Mutual Investment Fd (13000F)				

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power		Total Managed Holdings	Management Powers Not Identified
	Number of Votes	Percent Total Votes		
18. New England Mutual Life Insur Co (70000)	92,000	.38	92,000	-
Loomis Sayles & Co Inc*				
Loomis Sayles Cap Devel Fd (22000)				
19. Bank Of America NTSA	91,255	.38	94,258	-
20. Fidelity Mngt & Research Co*	89,000	.37	89,000	-
Fidelity Fd (89000)				
21. Aetna Life & Casualty Co	84,600	.35	84,600	-
Aetna Life Insur Co (84600)				
22. New York City Comptroller'S Office	78,000H	.32	78,000H	-
23. National Bk Of Detroit	76,092	.32	80,892	-
24. Union Bk Of Switzerland	76,000	.32	76,000	-
Management Of Investment Trusts*				
Amca (40000)				
Denac (6000)				
Globinvest (30000)				
25. Royal Insur Co Ltd-England (10800)	75,700	.31	75,700	-
American & Foreign Insur Co (2000)				
British & Foreign Marine Insur Co (1800)				
Globe Indemnity Co (20000)				
Liverpool & London & Globe Ins (10900)				
London & Lancashire Insur Co (1400)				
Newark Insur Co (9100)				
Royal Indemnity Co (11300)				
Safeguard Insur Co (8400)				
26. Vance Sanders & Co Inc*	71,632	.30	71,632	-
Capital Exchange Fd (3120)				
Depositors Fd Of Boston (20000)				
Diversificaction Fd (30000)				
Exchange Fd Of Boston (5000)				
Fiduciary Exchange Fd (3934)				
Second Fiduciary Exchange Fd (9578)				
27. Liberty Mutual Insur Co (60400)	70,400	.29	70,400	-
Liberty Mutual Fire Insur Co (10000)				
28. State Street Research & Mngt Co*	69,498	.29	69,498	-
Federal Street Fd (69498)				
29. Mellon Bk NA	66,990	.28	88.617	-
30. Lincoln Consolidated Inc< (Texas)	65,000	.27	65,000	-
Funds Inc*				
Commerce Fd (30000)				
Industries Trend Fd (35000)				
31. Security Pacific National Bank	64,556	.27	75,906	-
32. Texas Teachers' Retirement System	64,100G	.27	64,100G	-
33. North Carolina National Bank	62,677	.26	67,067	-
34. First National Bk In Dallas	58,727	.24	62,460	-
35. Kendall, Donald M#	56,260E	.23	56,260E	-
36. New York City Teachers' Retirement System	54,118	.22	54,118	-
37. National City Bk Of Cleveland	52,131	.21	56,527	-
38. Mercantile Trust Co NA (St Louis)	50,723	.21	50,723	-
39. Washington National Corp<	50,000	.21	50,000	-
Anchor Corp*				
Fundamental Investors (50000)				
40. First National Bank Of Minneapolis	38,324	.16	48,284	-
41. First National City Bank	9,686	.04	99,962	-
42. United States Trust Company	9,280X	.03	124,136X	-
43. Sperry & Hutchinson Co<	-	-	90,000	-
State National Bk Of Conn (90000)				
TOTALS	8,249,113	34.77%	9,371,022	

TOP 5 SHAREHOLDERS VOTE 16.35% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 23.37% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 27.30% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 29.27% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 30.92% OF THE STOCK.

PHILLIPS PETROLEUM CO

Phillips Bldg., Bartlesville, OK 74004

Incorporated: Delaware
Fortune Rank: 25
Assets: $4,028,112
Total Debt: $697,274
Debt/Asset Ratio: 9.9%
Lease Commitments: $450,335
Number of Employees: 30,802
Operating Revenue: $4,980,704
Income: $429,777 (c)
Net Income: $402,138
Foreign Operating Revenue: 23.7% (includes exports to foreign customers)
Foreign Income: 40.7%
Income Tax Rate: 19.1%
Regulation: SEC

Principal Underwriter(s)

DT–First Boston Corp

Legal Counsel(s)

Clifford, Warnke, Glass, McIlwain & Finney, DC: fees for 1974 $400; Sullivan & Cromwell, NY: fees for 1974–$156

Transportation Subsidiaries

Phillips Pipe Line Co (PO-CN)

Comments

Corporate Structure: Company's transportation operations include a fleet of 21 ocean-going tankers. Nine of these, with a total deadweight tonnage of 483,052, are owned and operated under foreign flags. Company also operates a fleet of approximately 3,200 owned or leased railroad tank cars. In January 1976 Company reached an agreement to sell, according to the stipulations of a court order, a large portion of the properties acquired from Tidewater Oil Co to The Oil Shale Corp. In December 1975 Company's Venezuelan operations were nationalized.

Joint Ventures: Since 1972 Company has had a joint venture with SOUTHERN PACIFIC CO and Southern California Edison Co to develop geothermal resources on land owned by SOUTHERN PACIFIC. In late 1974 Company, SUN OIL CO and Standard Oil Co (Ohio) formed a joint venture to develop oil share leases in Utah. Company is a participant in Seadock Inc (see CITIES SERVICE CO), has a 1.66% interest in Alyeska Pipeline Service Co (see ATLANTIC RICHFIELD CO) and owns 51% of Phillips Pacific Chemical Co, a joint venture with NORTHWEST ENERGY CO.

Payments Disclosure: In 1975 Company admitted to making $585,000 in domestic political contributions between 1964-73. The SEC has also charged Company with making $1.2 million in questionable foreign payments during the same years. In December 1975 Company and its former chairman of the board pleaded guilty to a federal misdemeanor charge of violating statutes prohibiting political contributions. In September 1976 a federal grand jury indicted Company, its chairman and two former chairmen on federal tax charges alleging a global conspiracy to conceal $3 million in Swiss bank accounts and a secret fund at Company headquarters.

Environment: In 1975 Company was the subject of 26 different proceedings and suits by federal and state agencies for polluting the environment.

Business Lines	Percent of Operating Revenue	Percent of Income
Petroleum Products	48.9%	60.6%
Crude Oil	18.6	
Natural Gas	4.3	
Other Sales & Services	4.4	
Chemical Products	23.8	39.4

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	76,102,207	1	76,102,207	131,621

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. First National Bank In Bartlesville (Okla) Phillips Petroleum Thrift Plans/13313 Participants (5284662)	5,284,662	6.94	5,284,662	-
2. Massachusetts Financial Services Inc* Mass Financial Development Fund (70000) Mass Investors Growth Stock Fd (300000) Massachusetts Investors Trust (506000)	876,000	1.15	876,000	-
3. Chase Manhattan Bank NA	667,000	.87	1,424,000	-
4. Manufacturers Hanover Trust Co	531,484	.69	630,859	-
5. Ford Foundation	510,500E	.67	510,500E	-
6. New York State Teachers' Retirement System	497,300	.65	497,300	-
7. California Employees' Retirement System	471,800F	.61	471,800F	-
8. Wells Fargo Bank NA	471,156	.61	491,436	-
9. Wachovia Bank & Trust Co NA	390,059	.51	426,256	-
10. American Security & Trust Co (DC)	350,989	.46	363,699	-
11. Continental Illinois National Bank & Trust Co	343,953	.45	481,122	-
12. First National Bank Of Denver	333,019	.43	334,479	-
13. Aetna Life & Casualty Co (59600) Aetna Casualty & Surety Co (100000) Aetna Life Insurance Co (149839) Aetna Variable Annuity Life Insur (15900)	325,339	.42	325,339	-

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
14. First National City Bank (NY)	322,465	.42	534,651	-
15. Equitable Life Assurance Society Of The US	310,100	.40	310,100	-
16. Kemper Family Group	307,100	.40	307,100	-
American Manufacturers Mtl Insur Co (10000)				
Citizens Life & Casualty Insurance (300)				
Federal Kemper Insurance Co (900)				
Fidelity Life Association (2000)				
Iowa Kemper Insurance Co (900)				
Kemper Reinsurance Co (·000)				
Kemper Security Insurance Co (300)				
Lumbermans Mutual Casualty Co (62000)				
Supervised Investors Services Inc*				
Technology Fund (175000)				
Supervised Investors Summit Fund (15000)				
Supervised Investors Growth Fund (35000)				
American Equity Fund Inc (1700)				
17. Bankers Trust Co	304,408	.39	820,000	727,800Y
18. Seligman (J & W) & Co Inc+	303,800	.39	303,800	-
Union Service Corp*				
National Investors Corp (303800)				
19. New York City Comptroller'S Office	291,600H	.38	291,600H	-
20. American General Insurance Co<	286,400	.37	286,400	-
California-Western States Life (43100)				
Variable Annuity Life Insur Co (55300)				
American General Capital Management Inc*				
Channing Shares Inc (100000)				
Channing Income Fund Inc (20000)				
Fund Of America Inc (30000)				
Equity Growth Fund Of America Inc (38000)				
21. Republic National Bank Of Dallas	275,152	.36	275,152	-
22. Lehman Brothers Inc+	270,000	.35	270,000	-
Lehman Corp (200000)				
One William Street Fund (70000)				
23. Washington National Corp<	253,400	.33	253,400	-
Anchor Corp*				
Fundamental Investors Inc (120000)				
Anchor Growth Fund Inc (119400)				
Anchor Spectrum Fund Inc (8000)				
Washington National Fund Inc (6000)				
24. Security Pacific National Bank	232,880	.30	273,312	-
25. Chemical Bank	228,306	.29	270,000	-
26. Yale University	217,800F	.28	217,800F	-
27. Connecticut General Insurance Corp	210,900	.27	210,900	-
Aetna Insurance Co (25000)				
Connecticut General Life Insur Co (148900)				
CG Investment Management Co*				
CG Fund (26000)				
Companion Fund (11000)				
28. Rhode Island Hospital Trust National Bank	205,176	.26	208,178	-
29. Tisch Family Group-Loews Corp<	203,700	.26	203,700	-
American Casualty Co Of Reading Pa (16000)				
Continental Assurance Co (78500)				
Continental Casualty Co (63000)				
National Fire Insur Co Of Hartford (10000)				
Transcontinental Insurance Co (10000)				
Valley Forge Insurance Co (24000)				
CNA Management Corp*				
Schuster Fund (700)				
Liberty Fund (1500)				
30. Dreyfus Corp*	200,000	.26	200,000	-
Dreyfus Fund Inc (200000)				
31. First National Bank Of Chicago	197,218	.25	246,020	-
32. Royal Insurance Co Ltd-England (27800)	193,000	.25	193,000	-
American & Foreign Insurance Co (5900)				
British & Foreign Marine Insurance (4500)				
Globe Indemnity Co (42400)				
Liverpool & London & Globe Insur (26600)				
London & Lancashire Insur Co Ltd (2500)				
Newark Insurance Co (16500)				
Royal Globe Insurance Co Of America (31100)				
Royal Indemnity Co (19700)				
Safeguard Insurance Co (16000)				

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
33. Lord Abbett & Co Inc•	186,000	.24	186,000	-
Affiliated Fund Inc (186000)				
34. Bank Of America NTSA	183,064	.24	229,147	-
35. Provident National Bank (Penn)	177,080	.23	214,805	-
36. Texas Teacher Retirement System	176,700G	.23	176,700G	-
37. Texas, University Of	169,100	.22	169,100	-
38. Fidelity Management & Research Co•	154,700	.20	154,700	-
Fidelity Fund Inc (154700)				
39. Pittsburgh National Bank	151,163	.19	161,831	-
40. Robeco• (Netherlands)	150,000	.19	150,000	-
41. Harvard University	143,733F	.18	143,733F	-
42. First Pennsylvania Bank NA	142,177	.18	283,786	-
43. John Hancock Mutual Life Insurance Co<	141,370	.18	141,370	-
44. New York Life Insurance Co (138600)	140,700	.18	140,700	-
New York Life Fund Inc (2100)				
45. Merrill Lynch & Co Inc<	127,000	.16	127,000	1,191,973Y
Merrill Lynch Pierce Fenner+ (1191973Y)				
Lionel D Edie & Co Inc•				
Lionel D Edie Capital Fund (86000)				
Fundamerica Of Japan Inc (20500)				
Hartford Mutual Investment Fund (14000)				
Memphis & Shelby County Medical Society Investment Retirement Trust (6500)				
46. Capital Research & Management Co•	122,000	.16	122,000	-
Capital Of America Inc (65000)				
American Balanced Fund Inc (25000)				
American Special Fund Inc (12000)				
Stock Fund Of America Inc (20000)				
47. New England Merchants National Bank	76,010	.09	223,278	-
48. United States Trust Co	-	-	1,612,610X	-
49. Mercantile-Safe Deposit & Trust Co	-	-	321,529	-
50. Marine Midland Bank-NY	-	-	231,214	-
51. Trust Company Bank (Georgia)	-	-	116,000	-
52. Swiss Bank Corp (228672Y)	-	-	5,000	228,672Y
Interfunds Internl Investment Trust Co•				
Universal Fund (5000)				
53. Fidelity Bank (Penn)	-	-	-	791,634Y
54. Dupont Family Group	-	-	-	713,511Y
Wilmington Trust Co (713511Y)				
55. Harriman Family Group	-	-	-	552,452Y
Brown Brothers Harriman & Co (552452Y)				
56. Bank Of New York	-	-	-	336,328Y
57. Connecticut Bank & Trust Co	-	-	-	254,657Y
58. Northern Trust Co	-	-	-	219,500Y
TOTALS	18,107,472	23.79%	22,703,104	

TOP 5 SHAREHOLDERS VOTE 10.34% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 13.21% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 15.36% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 17.32% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 18.97% OF THE STOCK.

PIEDMONT AVIATION INC

Smith Reynolds Airport, Winston-Salem, NC 27102

Incorporated: North Carolina
Fortune Rank: 40 T
Assets: $139,4[illegible]
Total Debt: $88,698
Debt/Asset Ratio: 63.6%
Lease Commitments: $35,430
Number of Employees: 3,666
Operating Revenue: $156,874
Income: $15,399 (a)
Net Income: $7,047
Foreign Operating Revenue: None

Foreign Income: None
Income Tax Rate: 25%
Regulation: SEC, CAB

Principal Underwriter(s)

DT (1968) – Lehman Brothers; Carolina Securities Corp

Legal Counsel(s)

Womble, Carlyle, Sandridge & Rice, NC: fees for 1974 – $62;
Koteen & Burt, DC: fees for 1974 – $52

Transportation Subsidiaries – None

Comments

Major Transactions: Company is the sales representative in 6 Southeastern states for all private and business aircraft manufactured by Piper Aircraft Corp and the Beech Aircraft Corp.

Business Lines	Percent of Operating Revenue	Percent of Income
Airline: passenger	73.3%	90.2%
cargo	4.9	
other	5.8	
Sales of Beech & Piper Aircraft, Other	16.0	9.8

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	2,457,479	1	2,457,479	7,738

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Davis Family Interests#	198,396B	8.07	198,396B	-
Davis, T H (111257B)				
Davis Family Members (87139B)				
2. Wachovia Bank & Trust Co NA	109,532	4.46	174,483	-
Piedmont Aviation Emp Pension Fds (73198)				
3. Brugh, K V Jr	105,900B	4.31	105,900B	-
4. Gardner, Ralph W#	23,164E	.94	23,164E	-
5. Detorres, Winifred D	21,674B	.88	21,674B	-
6. Floyd, W Russell	14,641B	.59	14,641B	-
7. Grey, Gordon	14,641B	.59	14,641B	-
8. Northington, R S#	14,029E	.57	14,029E	-
9. Hoots, Ezra W Jr	11,003B	.44	11,003B	-
10. Brown, C G Jr#	9,994	.40	9,994	-
11. Barber, W W#	8,984	.36	8,984	-
12. Cramer, George B	8,784B	.35	8,784B	-
13. Mozingo, James P	8,349B	.33	8,349B	-
14. Nicholson, Frank C	8,173B	.33	8,173B	-
15. Saunders, H K#	6,849	.27	6,849	-
16. O'Herron, Edward M Jr#	5,070	.20	5,070	-
17. Pan-Holding SA (Luxembourg)	4,840	.19	4,840	-
18. Merrill Lynch & Co Inc<	-	-	-	75,536B
Merrill Lynch Pierce Fenner & Sm+ (75536B)				
19. Paine Webber Jackson & Curtis Inc+	-	-	-	67,874B
20. Reynolds Securities Inc+	-	-	-	60,551B
21. Chemical Bank	-	-	-	50,963B
22. Dupont Glore Forgan Inc+	-	-	-	32,022B
23. Bache Halsey Stuart Inc+	-	-	-	20,315B
24. Newhard Cook & Co Inc+	-	-	-	12,540B
25. Wheat First Securities Inc+	-	-	-	12,455B
26. Fiduciary Trust Co (Boston)	-	-	-	10,065B
27. Stuart Brothers+	-	-	-	9.538B
28. Thomson Mckinnon Auchincloss Kohlmeyer Inc+	-	-	-	8,821B
TOTALS	574,023	23.36%	638,974	

TOP 5 SHAREHOLDERS VOTE 18.66% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 21.28% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 22.95% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 23.36% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 23.36% OF THE STOCK.

POTT INDUSTRIES INC

611 E. Marceau St., St. Louis, MO 63111

Incorporated: Missouri
Fortune Rank: –
Assets: $147,225
Total Debt: $55,870
Debt/Asset Ratio: 37.9%
Lease Commitments: NA
Number of Employees: 3,396
Operating Revenue: $130,774
Income: $21,949 (a)
Net Income: $12,290
Foreign Operating Revenue: 8.3%

Principal Underwriter(s)

DT (1969)–Goldman, Sachs & Co

Foreign Income: 11.8%
Income Tax Rate: 29.8%
Regulation: SEC

Legal Counsel(s)

Thompson & Mitchell (General Counsel), MO: fees for 1974–$59

Transportation Subsidiaries

Offshore Marine Services (div.) (WC-CN)
Inland Waterways Transportation (div.) (WC-CN)

Comments

Corporate Structure: In March 1977 Houston Natural Gas Corp, a diversified intrastate natural gas transmission company with 1977 revenues of $1.4 billion, agreed in principle to acquire Company through an exchange of stock valued at $162.3 million.

Major Transactions: Company's offshore marine operations serve the offshore petroleum exploration and production industry. In 1975 the Inland Waterways Transportation division obtained substantial revenues from the transportation of grain sold by U.S. companies for export.

Business Lines	Percent of Operating Revenue	Percent of Income
Offshore Marine Services	24.8%	45.4%
Shipyard Operations	40.4	19.0
Inland Waterways Transportation	29.9	32.0
Other	4.9	3.6

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	2,363,000	1	2,363,000	1,927
5% Pfd.	72,000	1	72,000	2
$1.20 Ser. A	52,500	1	52,500	2
$1.20 Ser. B	27,500	1	27,500	2
$1.20 Ser. C	60,465	1	60,465	6
$1.20 Ser. D	85,000	1	85,000	6
Total Votes Outstanding			2,660,465	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Pott, H T#	773,495E	29.07	773,495E	-
2. Easterling, Vern E#	156,225E	5.87	156,225E	-
3. Defelice, Lloyd M & Family#	85,000E	3.19	85,000E	-
4. Mercantile Trust Co NA (St Louis)	78,491	2.95	78,491	-
5. Conerly, Richard P#	36,250E	1.36	36,250E	-
6. Baker Fentress & Co	25,000	.93	25,000	-
7. Talbert, Thomas W#	24,775E	.93	24,775E	-
8. Renshaw, Edward#	20,721E	.77	20,721E	-
9. Isbell, Lavell M#	19,246E	.72	19,246E	-
10. International Systems & Control Corp< Investors Counsel Inc* Capital Shares Inc (15000)	15,000	.56	15,000	-
11. American General Insurance Co< American General Capital Management Co* Pace Fund Inc (12000)	12,000	.45	12,000	-
12. Ebor Securities Ltd* (England) Ebor Universal Growth Fund (12000)	12,000	.45	12,000	-
13. Franchi, Peter Jr#	11,915E	.44	11,915E	-
14. American Investment Co< Charter National Life Insurance Co (5000)	5,000	.18	5,000	-
TOTALS	1,275,118	47.93%	1,275,118	

TOP 5 SHAREHOLDERS VOTE 42.45% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 46.39% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 47.93% OF THE STOCK.

PRUDENTIAL LINES INC

1 World Trade Ctr., New York, NY 10048

Incorporated: Delaware

Transportation Subsidiaries

None

Control

No information available

Comments

A privately-owned company for which no information is available except from published sources.

Major Transactions: See OGDEN CORP.

PSA INC

3225 N. Harbor Dr., San Diego, CA 92101

Incorporated: Delaware
Fortune Rank: 42 T
Assets: $203,199
Total Debt: $81,215
Debt/Asset Ratio: 40%
Lease Commitments: $112,543
Number of Employees: 3,475
Operating Revenue: $155,777
Income: $1,435 (b)
Net Income: $1,590
Foreign Operating Revenue: Insignificant
Foreign Income: Insignificant
Income Tax Rate: 7%
Regulation: SEC, FCC

Principal Underwriter(s)

DT (1969)–E.F. Hutton & Co

Legal Counsel(s)

McInnis, Fitzgerald, Rees & Sharkey (General Counsel), CA: fees for 1974–NA

Transportation Subsidiaries

Pacific Southwest Airlines (AL-CN)

Comments

Corporate Structure: Company is the largest intrastate U.S. airline, operating exclusively in California, and is not presently subject to CAB regulation. Company is seeking federal certification of its existing routes and is applying to the CAB for interstate routes. In 1975-76 Company sold its 4 radio stations and 2 of its hotels. It is still seeking buyers for its 2 remaining hotels.

Major Transactions: In May 1976 Lockheed Aircraft Corp announced that in June 1977 it would close down the Hollywood/Burbank Airport which serves 20% of Company traffic.

Business Lines	Percent of Operating Revenue	Percent of Income
Airline: passenger	72.1%	479.0%
other	20.5	
Hotels	6.8	(330.8)
Broadcasting	0.6	(48.2)

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	3,180,848	1	3,180,848	11,477

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Freidkin, Thomas & Family#	157,735E	4.96	157,735E	-
2. Gulf & Western Industries Emp Retir Tr Fd 2	41,300B	1.30	41,300B	-
3. California Teacher Association Retir Trust	40,715D	1.28	40,715D	-
4. Sears Roebuck & Co Emp Profit Sharing Fund	37,100C	1.17	37,100C	-
5. Mcinnis, John W#	21,800E	.68	21,800E	-
6. Nationwide Corp<	20,000	.62	20,000	-
Heritage Securities Inc*				
Mutual Investing Found-Mif Gwth (20000)				
7. Lundy, Victor R & Lottie L#	17,000E	.53	17,000E	-
8. Shimp, William R#	10,000E	.31	10,000E	-
9. Andrews, J Floyd#	9,200	.28	9,200	-
10. Crocker National Bank	2,908	.09	9,695	-
11. Dean Witter & Co+	-	-	-	272,778A
12. Merrill Lynch & Co Inc<	-	-	-	260,024A
Merrill Lynch Pierce Fenner & Sm+ (260024A)				
13. Hutton (E F) & Co Inc+	-	-	-	135,628A
14. Dupont Glore Forgan Inc+	-	-	-	82,250A
15. Paine Webber Jackson & Curtis Inc+	-	-	-	60,362A
16. Shearson Hayden Stone Inc<	-	-	-	42,707A
17. INA Corp<	-	-	-	37,405A
Blyth Eastman Dillon & Co+ (37405A)				
18. Pershing & Co Inc+	-	-	-	30,161A
19. Loeb Rhoades & Co+	-	-	-	28,521A
20. Thomson Mckinnon Auchincloss & Kohlmeyer Inc+	-	-	-	25,838A
21. Hornblower & Weeks-Hemphill Noyes Inc+	-	-	-	24,774A
22. Reynolds Securities Inc+	-	-	-	15,709A
23. Harris Upham & Co Inc+	-	-	-	15,670A
24. White Weld & Co Inc+	-	-	-	10,530A
25. Kidder Peabody & Co Inc+	-	-	-	10,051A
TOTALS	357,758	11.25%	364,545	

TOP 5 SHAREHOLDERS VOTE 9.39% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 11.25% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 11.25% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 11.25% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 11.25% OF THE STOCK.

PUBLIC SERVICE ELECTRIC & GAS CO

80 Park Place, Newark, NJ 07101

Incorporated: New Jersey
Fortune Rank: 9 U
Assets: $4,331,261
Total Debt: $2,092,455
Debt/Asset Ratio: 48.3%
Lease Commitments: NA
Number of Employees: 14,032
Operating Revenue: $1,455,873
Income: $230,459 (a)
Net Income: $153,840
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 11.7%
Regulation: SEC, FPC

Principal Underwriter(s)— S & DT–Merrill Lynch

Legal Counsel(s)

Connor, Hadlock & Knotts, DC: fees for 1974–$135; Debevoise, Plimpton, Lyons & Gates, NY: fees for 1974–$87; Appruzzese & McDermott, NJ: fees for 1974–$70

Transportation Subsidiaries

Transport of New Jersey (MP-UN)

Comments

Corporate Structure: Company estimates that 65% of its electricity will be generated by nuclear power by 1985.

Joint Ventures: See ALGONQUIN GAS TRANSMISSION CO.

Major Transactions: Company's gas is supplied by Transcontinental Gas Pipe Line Corp (ST), TEXAS EASTERN GAS TRANSMISSION CORP and TENNECO INC. For a number of years Amerada Hess Corp has been a major supplier to Company of oil and kerosene used for the generation of electricity and as raw materials for the manufacture of supplemental gas supplies. Company's purchases from Amerada Hess in 1975 and 1976 amounted to approximately $177 million and $183 million respectively, or about 70% of all of Company's purchases of such fuels. Company's major bus subsidiary, Transport of New Jersey (ST), has received subsidies from the State of New Jersey since 1972. These subsidies amounted to $8.5 million and $17.2 million in 1974 and 1975 respectively. In addition, under a "bus-buy-out" program approved by the Urban Mass Transportation Administration in 1974, the State of New Jersey purchased 514 of Transport's buses in October 1975 for $13 million and leased them back to Transport at no cost. Forty percent of the monies received by Transport from this sale were returned to the state as the state's share, which along with federal funds, purchased an additional 416 buses in 1976 to be leased to Transport at no cost.

Labor: In the spring of 1974 a Transport of New Jersey subsidiary, Maplewood Equipment Co, was struck for 54 days.

Business Lines	Percent of Operating Revenue	Percent of Income
Electricity	75.6%	81.4%
Natural Gas	24.4	18.6

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	52,531,003	1	52,531,003	213,264
$1.40 Divd. Pref. Common	1,343,999	2	2,687,998	15,007
Total Votes Outstanding			55,219,001	

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Prudential Insurance Co Of America<	450,000	.81	450,000	-
2. Continental Corp< (286933)	357,774	.64	357,774	-
Commercial Insurance Co Of Newark (32180)				
Firemen'S Insurance Co Of Newark (38661)				
3. Mott (Charles Stuart) Foundation	317,000	.57	317,000	-
4. Chase Manhattan Bank NA	301,000	.54	364,000	-
5. Pittsburgh National Bank	275,659	.49	278,193	17,588
6. Texas State Treasurer-Permanent School Fund	212,200	.38	212,200	-
7. Guardian Life Insurance Co Of America	154,200	.27	154,200	-
8. City Investing Co<	135,000	.24	135,000	-
Home Indemnity Co (40000)				
Home Insurance Co (95000)				
9. USLIFE Corp<	120,000	.21	120,000	-
USLIFE Mutual Funds Management Corp*				
USLIFE Funds Inc (120000)				
10. New Jersey Division Of Investment	112,790F	.20	112,790F	-
11. New Jersey Bank NA	76,284	.13	101,421	-
12. United National Bank (New Jersey)	69,954	.12	78,676	-
13. First National State Bank Of New Jersey	69,438	.12	73,380	-
14. Provident National Bank (Penn)	61,061	.11	80,814	-
15. Midatlantic National Bk/Citizens (New Jersey)	52,967	.09	71,521	-
16. First National City Bank (NY)	35,923	.06	54,594	380,607
17. United States Trust Co	22,601X	.04	243,650X	-
18. Merrill Lynch & Co Inc<	-	-	-	3,101,256
Merrill Lynch Pierce Fenner & Sm+ (3101256)				
19. Manufacturers Hanover Trust Co	-	-	-	504,424
20. Firestone Bank (Akron, Ohio)	-	-	-	214,200
TOTALS	2,823,851	5.11%	3,205,213	

TOP 5 SHAREHOLDERS VOTE 3.08% OF THE STOCK. TOP 15 SHAREHOLDERS VOTE 5.01% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 4.41% OF THE STOCK. TOP 20 SHAREHOLDERS VOTE 5.11% OF THE STOCK.

READING CO

Reading Terminal, Philadelphia, PA 19107

Incorporated: Pennsylvania
Fortune Rank: 41 T
Assets: $310,363
Total Debt: $98,724
Debt/Asset Ratio: 31.8%
Lease Commitments: NA
Number of Employees: 5,500
Operating Revenue: $156,382
Income: $394 (a)
Net Income: ($1,144)
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: None
Regulation: SEC, ICC

Principal Underwriter(s)–NA

Legal Counsel(s)

Morgan, Lewis & Bockius, PA: fees for 1974–$91; Obermayer, Rebman, Maxwell & Hippel: fees for 1974–$80

Transportation Subsidiaries

None

Control

Court-appointed Trustees under bankruptcy proceedings: Joseph L. Castle and Andrew L. Lewis, Jr. The stockholders listed below had their power to elect the directors suspended when Company was declared bankrupt by the court in 1971.

Comments

Corporate Structure: In 1971 Company entered reorganization proceedings under Section 77 of the Federal Bankruptcy Act. During bankruptcy proceedings stockholders lose their power to elect directors and the trustees are appointed by the court. The 3 largest stockholders listed below all bought their shares from 2 CHESSIE railroad subsidiaries. Messrs. Sullivan and Reynolds are both directors of the National Security Bank (Chicago, IL). Mr. Mabie is an officer of A.G. Becker & Co Inc, a Chicago investment bank. In 1976 Company was reorganized into ConRail. Compensation for Company stockholders will be settled by the court. See also CHESSIE SYSTEM INC.

Business Lines		Percent of Operating Revenue	Percent of Income
Railroad:	freight	80.7%	NA
	passenger	12.5	NA
Other		6.7	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	1,399,757	1	1,399,757	6,492
1st Pfd.	556,222	1	556,222	957
2nd Pfd.	839,312	1	839,312	3,571
Total Votes Outstanding			2,795,291	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Sullivan, John W	423,689	15.16	423,689	-
2. Reynolds, Thomas A Jr	423,688	15.16	423,688	-
3. Mabie, John D	423,688	15.16	423,688	-
4. Polk Brothers Inc	114,700	4.10	114,700	-
5. Fields, Lloyd & Rose	22,200	.79	22,200	-
6. Sunshine Mining Co	20,000	.71	20,000	-
7. Friedman, Michael J	18,000C	.64	18,000C	-
8. Roos, Sidney W	15,200	.54	15,200	-
9. Lowitz Family Interests	13,002A	.46	13,002A	7,843
Lowitz (E) & Co+ (7843)				
10. Kerman, William I	8,000	.28	8,000	-
11. Berman, Milton	6,200	.22	6,200	-
12. Zarakas, James	6,000	.21	6,000	-
13. Merrill Lynch & Co Inc<	-	-	-	79,073
Merrill Lynch Pierce Fenner & Sm+ (79073)				
14. Thomson Mckinnon Auchincloss Kohlmeyer Inc+	-	-	-	73,064
15. Tucker Anthony & R L Day Inc+	-	-	-	48,306
16. Paine Webber Jackson & Curtis Inc+	-	-	-	21,959
17. Hoppin Watson Inc+	-	-	-	20,823
18. Shearson Hayden Stone Inc<	-	-	-	20,643
TOTALS	1,494,367	53.46%	1,494,367	

TOP 5 SHAREHOLDERS VOTE 50.37% OF THE STOCK. TOP 15 SHAREHOLDERS VOTE 53.46% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 53.02% OF THE STOCK.

RENTAR INDUSTRIES INC

160 Central Park S., New York, NY 10019

Transportation Subsidiaries

Midwest Emery Freight System Inc (MF)

Control

No information available.

Comments

A privately-owned company for which no information is available except from published sources.

REPUBLIC INTERMODAL CORP

2335 New Hyde Park Rd.. New Hyde Park, NY 11040

Incorporated: Delaware
Number of Employees: 1,200 (approx.)
Operating Revenue: $63,000 (approx.)

Transportation Subsidiaries

Republic Freight System Inc (FF)

Control

No information available.

Comments

A privately-owned company for which no information is available except from published sources.

Corporate Structure: In January 1975 Company sold Republic Freight System Inc (ST) to YELLOW FREIGHT SYSTEM INC.

REYNOLDS R J INDUSTRIES INC

47th & Main St., Winston-Salem, NC 27102

Incorporated: Delaware
Fortune Rank: 49
Assets: $3,126,074
Total Debt: $646,857
Debt/Asset Ratio: 20.7%
Lease Commitments: $609,323
Number of Employees: 32,500
Operating Revenue: $4,500,909
Income: $823,841 (a)
Net Income: $310,698
Foreign Operating Revenue: See Comments
Foreign Income: NA
Income Tax Rate: 30.7%
Regulation: SEC, ICC & FMC (Sea-Land Service Inc)

Principal Underwriter(s)

S—First Boston Corp

Legal Counsel(s)

Davis, Polk & Wardwell, NY: fees for 1974—NA; Ragan & Mason, DC: fees from Sea-Land Service Inc for 1974—$752

Transportation Subsidiaries

Sea-Land Service Inc (WC-CN)

Comments

Corporate Structure: Company has over 32% of the U.S. cigarette market and operates the largest containerized-shipping fleet in the world, serving 113 port terminals in 47 countries. Nearly all of Company's petroleum operations are conducted outside the United States and its maritime transportation operations are related primarily to foreign trade. Approximately 25% of its net annual sales of tobacco products and 10% of its net annual sales of food, beverage and aluminum products consist of exports and sales by its foreign operations. In September 1974 Company sold its shipping operations between Puerto Rico and U.S. ports to the Puerto Rico Maritime Shipping Authority. In November 1975 Company lost its right to acquire United States Lines from WALTER KIDDE & CO INC due to the failure to obtain FMC and ICC approval. Under a supplemental agreement Company was obligated to find another buyer for United States Lines and pay WALTER KIDDE $65 million. Dillon Read & Co, one of Company's principal debt security underwriters, was in charge of finding a buyer. In November 1976 Ingram Corp, a privately-owned conglomerate with an inland barge line and over $900 million in revenues, was negotiating to buy the water carrier. However, in December a tentative agreement for the sale was reached with WUI Inc, the parent holding company of Western Union International which provides international communications service and had 1975 revenues of $86 million. Under the agreement WALTER KIDDE would receive a new issue of voting preferred stock convertible into 20% of United States Lines' common stock. In May 1976 Company agreed to purchase the U.S. oil and gas operations of Burmah Oil Co for $520 million. The assets were mostly those purchased by Burmah from SIGNAL COS in 1974.

Changes in Corporate Control: In April 1975 Malcom P. McLean, a major Company stockholder, and Diamondhead Corp, 82% of which was owned by Mr. McLean, respectively sold 1,000,000 and 400,000 of their convertible preferred Company stock to underwriters who converted the shares into 2,100,000 shares of Company's common stock and sold them to the public.

Major Transactions: In 1974 and 1975 government cargo accounted for approximately 13.7% and 13.6% of transportation revenues. In 1975 Company was the 39th largest defense contractor with almost $154 million in military contracts.

Payments Disclosure: In September 1976 Company disclosed that that it had made $190,000 in illegal political contributions between 1968-73 and that it had made over $25 million in "questionable overseas payments" over the last 5 years including at least $19 million by Sea-Land Service Inc for possibly illegal rebates to shippers. In January 1977 Sea-Land agreed to pay a $4 million civil penalty in settlement of FMC charges related to the rebates. This is the largest settlement in the history of any transportation regulatory agency.

Business Lines	Percent of Operating Revenue	Percent of Income
Tobacco	64.3%	50.1%
Maritime Transportation	19.0	17.2
Petroleum & Petroleum Products	10.3	30.8
Food, Beverage & Aluminum Products	6.4	1.9

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	42,446,722	1	42,446,722	120,127
$2.25 CV Pfd.	6,844,362	½	3,422,181	5,049
Total Votes Outstanding			45,868,903	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Wachovia Bank & Trust Co NA	2,401,193	5.23	3,274,562	-
R J Reynolds Industries Empls' Stock Pur Plan/6950 Participants (372675)				
2. Mclean, Malcolm P & Family Interests#	1,753,960E	3.82	1,753,960E	-
3. Dreyfus Corp*	877,800	1.91	877,800	-
Dreyfus Fund Inc (837800)				
Dreyfus Special Income Fund Inc (20000)				
Dreyfus Intercontinental Invest (20000)				
4. Continental Investment Corp<	631,700	1.38	631,700	-
United Investors Life Insurance Co (900)				
Waddell & Reed Inc*				
United Income Fund (269250)				
United Accumulative Fund (295850)				
United Continental Income Fund (49200)				
Continental Fiduciary Shares (500)				
United Funds Management Corp*				
United Accumulative Fund Ltd (15000)				
United American Fund Ltd (1000)				
5. Fidelity Management & Research Co*	628,715	1.37	628,715	-
Puritan Fund Inc (300000)				
Fidelity Trend Fund Inc (247900)				
Fidelity Capital Fund Inc (21200)				
Fidelity Destiny Fund Inc (16000)				
Congress Street Fund Inc (11300)				
Contrafund Inc (15000)				
Second Congress Street Fund Inc (17315)				
6. Continental Illinois National Bank & Trust Co	426,057	.92	519,583	-
7. Marlennan Corp<	420,000	.91	420,000	-
Putnam Management Co*				
Putnam Duo Fund Inc (15000)				
Putnam Growth Fund Inc (195000)				
Putnam Investors Fund Inc (210000)				
8. Lord Abbett & Co Inc*	350,000	.76	350,000	-
Affiliated Fund Inc (350000)				
9. Wellington Management Co*	311,000	.67	311,000	-
Wellington Fund Inc (236000)				
Wellesley Income Fund (75000)				
10. First National City Bank (NY)	281,790	.61	367,690	-
11. Chase Manhattan Bank NA	276,000	.60	609,000	-
12. International Telephone & Telegraph Corp<	275,000	.59	275,000	-
Hamilton Management Corp*				
Hamilton Funds Inc (250000)				
Hamilton Income Fund Inc (25000)				
13. Bankers Trust Co	254,680	.55	423,000	-
14. Connecticut General Insurance Corp	223,100	.48	223,100	-
Aetna Insurance Co (55000)				
Connecticut General Life Insur (95100)				
CG Investment Management Co*				
CG Fund Inc (50000)				
CG Income Fund (6000)				
Companion Fund (17000)				
15. New Jersey Division Of Investment	200,000F	.43	200,000F	-
16. INA Corp<	196,300	.42	196,300	-
Insurance Co Of North America (186300)				
Pacific Employers Insurance Co (10000)				
17. North Carolina National Bank	160,926	.35	161,251	-
18. Wells Fargo Bank NA	151,939	.33	155,090	-

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
19. Delaware Management Co Inc*	150,000	.32	150,000	-
Delaware Fund Inc (150000)				
20. Aetna Life & Casualty Co	143,300	.31	143,300	-
Aetna Life Insurance Co (78200)				
Aetna Life & Casualty Co (62100)				
Aetna Investment Management Inc*				
Aetna Income Shares (3000)				
21. Gray, Gordon & Family#	140,001E	.30	140,001E	-
22. Pittsburgh National Bank	139,555	.30	142,155	-
23. Los Angeles County Empls' Retirement Assn	130,000	.28	130,000	-
24. First & Merchants National Bank (Richmond)	129,651	.28	131,782	-
25. Security Pacific National Bank	116,981	.25	178,313	-
26. Downe Communications Inc	106,125	.23	106,125	-
Founders Mutual Depositor Corp*				
Founders Mutual Fund (91125)				
Founders Income Fund Inc (5000)				
Founders Special Fund Inc (10000)				
27. USLIFE Corp<	100,000	.21	100,000	-
USLIFE Mutual Funds Management Corp*				
USLIFE Funds Inc (100000)				
28. Boatman'S National Bank Of St Louis	99,578	.21	104,338	-
29. Continental Corp<	99,500	.21	99,500	-
Buckeye Union Insurance Co (62500)				
Continental Insurance Co (5000)				
Firemen'S Insurance Co Of Newark (22000)				
Pacific Insurance Co (10000)				
30. Chemical Bank (NY)	84,893	.18	124,000	-
31. Bank Of America NTSA	62,450	.13	83,745	-
32. United States Trust Co	44,954X	.09	141,739X	-
33. Mercantile-Safe Deposit & Trust Co	-	-	1,092,460	-
TOTALS	11,367,148	24.78%	14,245,209	

TOP 5 SHAREHOLDERS VOTE 13.72% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 17.62% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 20.30% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 22.05% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 23.48% OF THE STOCK.

RIO GRANDE INDUSTRIES INC

1515 Arapahoe St.. Denver, CO 80202

Incorporated: Delaware
Fortune Rank: 38 T
Assets: $387,167
Total Debt: $78,026
Debt/Asset Ratio: 20.2%
Lease Commitments: $32,990
Number of Employees: 4,520
Operating Revenue: $175,312
Income: $26,003 (b)
Net Income: $15,503
Foreign Operating Revenue: None

Foreign Income: None
Income Tax Rate: 29.7%
Regulation: SEC

Principal Underwriter(s)—DT (railroad)—Salomon Brothers

Legal Counsel(s)

Sidley & Austin, IL: fees for 1974—NA

Transportation Subsidiaries

Denver & Rio Grande Western RR Co (RR-CN)

Comments

Corporate Structure: In 1975 Company began negotiations to acquire part of the trackage rights and lines of the bankrupt CHICAGO ROCK ISLAND & PACIFIC RR CO. Company owns a motor freight carrier with operations in Colorado, New Mexico and Utah. In 1975 coal transportation provided 24% of railroad's total freight revenues.

Business Lines	Percent of Operating Revenue	Percent of Income
Transportation: railroad trucking	89.6%	111%
Real Estate	3.6	(13)
Other	6.7	2

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	4,073,227	1	4,073,227	14,140
Ser. A Pfd.	5,710,715	½	2,855,357	15,360
Total Votes Outstanding			6,928,585	

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Union Pacific Corp (PT)	600,750	8.67	600,750	-
2. Leavell, Charles H & Family Interests#	327,050	4.72	327,050	-
3. Lepercq De Neuflize & Co Inc* Istel Fund Inc (175000)	175,000	2.53	175,000	-
4. National Securities & Research Corp* National Securities Fd-Stock Fund (85000) National Securities Fd-Income Fd (50000)	135,000	1.95	135,000	-
5. Axe (E W) & Co Inc* Axe-Houghton Fund B Inc (75000)	75,000	1.08	75,000	-
6. Evans, John Jr & Family Interests#	69,200	.99	69,200	-
7. Dreyfus Corp* Dreyfus Leverage Fund Inc (59600)	59,600	.86	59,600	-
8. Connecticut General Insurance Corp Aetna Insurance Co (45350) CG Investment Management Co* CG Income Fund (13450)	58,800	.84	58,800	-
9. SAFECO Corp< General Insurance Co Of America (15000) SAFECO Life Insurance Co (30000)	45,000	.64	45,000	-
10. Fidelity Management & Research Co* Fidelity Destiny Fund Inc (38900)	38,900	.56	38,900	-
11. Washington National Corp< Anchor Corp* Anchor Spectrum Fund Inc (35000)	35,000	.50	35,000	-
12. Aydelott, G B#	32,303	.46	32,303	-
13. First National Bank Of Denver	26,475	.38	45,955	-
14. First Pennsylvania Bank NA	20,150	.29	20,850	-
15. Bank Of America NTSA	16,138	.23	16,163	-
16. Mellon Bank NA	16,000	.23	16,000	-
17. Seattle-First National Bank	15,600	.22	30,600	-
18. Central Life Assurance Co (Des Moines)	15,000	.21	15,000	-
TOTALS	1,760,966	25.42%	1,796,171	

TOP 5 SHAREHOLDERS VOTE 18.95% OF THE STOCK. TOP 15 SHAREHOLDERS VOTE 24.74% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 22.87% OF THE STOCK.

RLC CORP

1 Rollins Plz., Wilmington, DE 19803

Incorporated: Delaware
Fortune Rank: –
Assets: $233,834
Total Debt: $165,351
Debt/Asset Ratio: 70.7%
Lease Commitments: $28,907
Number of Employees: 4,560
Operating Revenue: $186,827
Income: $6,160 (e)
Net Income: ($2,956)
Foreign Operating Revenue: Insignificant
Foreign Income: Insignificant

Income Tax Rate: (10.3%)
Regulation: SEC

Principal Underwriter(s)

S (1972)—Laird & Co; Bache, Halsey Stuart & Co; Reynolds Sec.

Legal Counsel(s)

Morris, Nichols, Arsht & Tunnell, DE; fees for 1974—NA

Transportation Subsidiaries

Matlack Inc (MF-CN)

Comments

Corporate Structure: In January 1975 Company changed its name from Rollins International Inc to RLC CORP. See CONSOLIDATED FREIGHTWAYS INC.

Major Transactions: Substantially all of Company's terminal subsidiary revenues, representing almost 2% of Company's consolidated 1974 operating revenues, come from a long-term storage and distribution services contract with Dow Chemical Co.

Business Lines	Percent of Operating Revenue	Percent of Income
Bulk Commodity Trucking	57.9%	87.7%
Truck & Automobile Leasing	29.0	22.5
Environmental Services	6.3	(28.2)
Harness Racing	5.4	13.1
Other Services	1.4	4.9

NOTE: All financial data listed above as of 9-30-74.

Stock Structure

Class	Shares Outstanding (11-30-74)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	3,840,569	1	3,840,569	5,663
Ser. B Pfd.	41,156.32	2	82,312	
Ser. C Pfd.	94,259	0.7	65,981	730
Ser. D Pfd.	37,000	1	37,000	
Total Votes Outstanding			4,025,862	

RLC CORP

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Rollins Family Interests#	1,360,104	33.78	1,360,104	-
Rollins, Gary W & Family (42900)				
Rollins, John W (1176543)				
Rollins, John W Jr & Family (140661)				
2. Tippie, Henry B#	109,906	2.73	109,906	-
3. R L C Corp Pension Plan (Internal Trustees)	37,748	.93	37,748	-
4. Vanderbilt University	35,000	.86	35,000	-
5. Shertz, Robert H & Family#	25,301	.62	25,301	-
6. Flowers, William H#	22,800	.56	22,800	-
7. National City Bank Of Cleveland	-	-	20,000	-
TOTALS	1,590,859	39.52%	1,610,859	

TOP 5 SHAREHOLDERS VOTE 38.95% OF THE STOCK.

ROADWAY EXPRESS INC

1077 Gorge Blvd., Akron, OH 44309

Incorporated: Delaware
Fortune Rank: 20 T
Assets: $244,111
Total Debt: None
Debt/Asset Ratio: –
Lease Commitments: None
Number of Employees: 15,500 (12-75)
Operating Revenue: $514,476
Income: $56,505 (a)
Net Income: $33,420
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 44.6%
Regulation: SEC, ICC

Principal Underwriter(s)

None

Legal Counsel(s)

Buckingham, Doolittle & Burroughs, OH: fees for 1974—NA

Transportation Subsidiaries

None

Comments

Corporate Structure: In July 1976 Company acquired a portion of bankrupt ASSOCIATED TRANSPORT INC's operating rights.

Business Lines	Percent of Operating Revenue	Percent of Income
Trucking	90%+	90%+

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	19,646,821	1	19,646,821	6,422

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Roush Family & Associates#	8,668,994E	44.12	8,668,994E	-
Roush, Galen J (2498280E)				
Roush, Ruth C (2692368E)				
Roush, G James Jr (1190352E)				
2. Roadway Express Inc Emps' Stock Bonus Plan (Internal Administration)	1,268,958	6.46	1,268,958	-
3. Seligman (J & W) & Co+	870,000	4.43	870,000	-
Union Service Corp*				
Broad Street Investing Corp (250000)				
National Investors Corp (620000)				
4. Prudential Insur Co Of America< (810000)	854,000	4.35	854,000	-
Prudential Fund Mngt Canada Ltd*				
Prudential'S Gibraltar Fund (44000)				
5. Chase Manhattan Bank NA	527,000E	2.68	588,550E	34,482E
6. Baker Fentress & Co	500,000	2.54	500,000	-

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
7. Mellon Bank NA	364,500	1.86	383,300	2,600
8. Bankers Trust Co	294,700	1.50	322,000	-
9. INA Corp<	288,000	1.47	288,000	-
Insurance Co Of North America (288000)				
10. Ohio State Teachers Retirement System	200,000H	1.02	200,000H	-
11. American General Insurance Co<	181,500	.92	181,500	-
Maryland Casualty Co (63000)				
Variable Annuity Life Insurance Co (74500)				
American General Capital Management Co*				
Channing Shares Inc (44000)				
12. Tormey, John L & Family#	177,138E	.90	177,138E	-
13. New York City Teachers' Retirement System	157,433	.80	157,433	-
14. Bank Of America NTSA	124,484	.63	124,484	-
15. Travelers Corp<	119,400	.60	119,400	-
Travelers Indemnity Co (41000)				
Travelers Indemnity Of America (600)				
Travelers Indemnity Of Rhode Island (5000)				
Travelers Insurance Co (72800)				
16. Liipfert, Otto & Family*	110,268E	.56	110,268E	-
17. Detroit Bank & Trust Co	100,000	.50	100,000	616,512
18. Wilson, Robert J & Family#	93,717E	.47	93,717E	-
19. Oppenheimer & Co+	90,300	.45	90,300	-
Oppenheimer Management Corp*				
Oppenheimer A I M Fund (40300)				
Oppenheimer Fund (50000)				
20. Morgan Guaranty Trust Co	84,230E	.42	220,488E	93,850E
21. Eberstadt (F) & Co Inc+	69,500	.35	69,500	-
Surveyor Fund (69500)				
22. Johnstone, R R & Family#	63,998E	.32	63,998E	-
23. Crum & Foster<	50,000	.25	50,000	-
International Insurance Co (3500)				
North River Insurance Co (5000)				
United States Fire Insurance Co (31000)				
Westchester Fire Insurance Co (10500)				
24. AGF Management Ltd* (Canada)	50,000	.25	50,000	-
American Growth Fund Ltd (50000)				
25. International Telephone & Telegraph Corp<	45,000	.22	45,000	-
Hartford Accident & Indemnity Co (45000)				
26. Keystone Custodian Funds Inc*	45,000	.22	45,000	-
Keystone O.T.C. Fund (5000)				
Keystone Custodian Fds Series S-3 (40000)				
27. National City Bank Of Cleveland	36,410	.18	1,381,479	-
28. First National Bank Of Chicago	10,000	.05	60,060	-
29. First National Bank Of Akron	6,291	.03	67,297	-
TOTALS	15,450,821	78.64%	15,881,906	

TOP 5 SHAREHOLDERS VOTE 62.04% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 70.43% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 74.29% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 76.73% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 78.15% OF THE STOCK.

ROYAL DUTCH/SHELL GROUP

Incorporated: –
Fortune Rank: –
Assets: $30,235,000
Total Debt: $4,859,000
Debt/Asset Ratio: 16.1%
Lease Commitments: NA
Number of Employees: 164,000
Operating Revenue: $32,191,200
Income: NA
Net Income: $2,712,100
Foreign Operating Revenue: –
Foreign Income: –
Income Tax Rate: –
Regulation: None

Principal Underwriter(s)—NA

Legal Counsel(s)—NA

Transportation Subsidiaries

Shell Pipe Line Corp (PO-CN)

Control

The Group is controlled 60% by Royal Dutch Petroleum Co (Netherlands) and 40% by "Shell" Transport and Trading Co Ltd (England) (see diagram). There is limited information available on the principal stockholders of these two companies. The following estimates are available on the geographical distribution of their stockholders of record:

Country	Royal Dutch Petroleum Co	"Shell" Transport and Trading Co Ltd
England	2.4%	95.7%
Netherlands	40.0	0.1
Switzerland	22.8	0.3
United States	18.2	1.0
France	10.2	2.3
Other countries	6.4	0.6

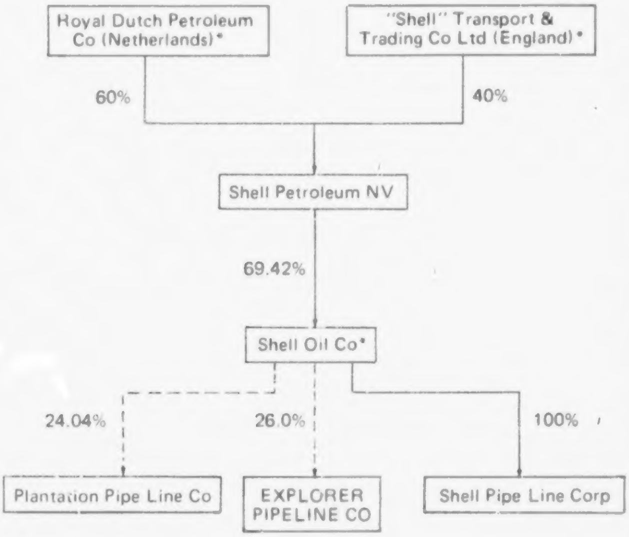
Royal Dutch Petroleum Co

Stock Structure: 134,018,522 ordinary shares (1vote/share); 1,500 priority shares (50 votes/share); 134,093,522 total votes.

Principal Stockholders: Dordtsche Petroleum-Industrie Maatschappij NV, a Dutch investment company (6.23%); NV Petroleum-Maatschappij "Moeara Enim," a Dutch investment company (2.58%); ALLEGHANY CORP, through Investors Mutual which is managed by its subsidiary Investors Diversified Services Inc* (.37%); Prudential Insurance Co of America (.19%). Morgan Guaranty Trust Co manages 674,050 ordinary shares of which 15,250 are voted; Chase Manhattan Bank NA manages 290,000 ordinary shares of which 28,000 are voted.

"Shell" Transport and Trading Co Ltd

No significant information available on the principal voting stockholders.



* Public corporation.

Comments

Corporate Structure: Company operates a fleet of 384 oil tankers with a total deadweight tonnage of 33,300,000, and 7 natural gas tankers with a total deadweight tonnage of 475,000.

Joint Ventures: In late 1975 Company and GULF OIL CORP decided to terminate the operations of a joint venture which manufactured high temperature gas-cooled nuclear reactors for the utility industry. See also SOUTHERN NATURAL RESOURCES INC.

Major Transactions: See MOORE MCCORMACK RESOURCES INC.

ST LOUIS—SAN FRANCISCO RY CO

906 Olive St., St. Louis, MO 63101

Incorporated: Missouri
Fortune Rank: 34 T
Assets: $535,042
Total Debt: $213,511
Debt/Asset Ratio: 39.9%
Lease Commitments: $64,600
Number of Employees: 9,136
Operating Revenue: $290,573
Income: $70,220
Net Income: $13,173
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 20.1%
Regulation: SEC, ICC

Principal Underwriter(s)

NA

Legal Counsel(s)

Deacy & Deacy, MO: fees for 1974–$57; Franklin, Harmon & Satterfield: fees for 1974–$89

Transportation Subsidiaries

None

Comments

Corporate Structure: In 1974 and 1975 Company derived 93% and 94% of its earnings from railroad operations.

Business Lines	Percent of Operating Revenue	Percent of Income
Railroad	NA	See Com-ments
Trucking	NA	
Land Development & Real Estate	NA	

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	2,595,569	1	2,595,569	8,986

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Crown, Henry Family Interests	460,000	17.72	460,000	-
2. Capital Research & Management Co*	120,000	4.62	120,000	-
American Mutual Fund (120000)				
3. Crum & Foster<	42,300	1.63	42,300	-
Constitution Reinsurance Corp (2000)				
International Insurance Co (2000)				
North River Insurance Co (8000)				
U S Fire Insurance Co (22900)				
Westchester Fire Insurance Co (7400)				
4. Dreyfus Corp*	26,300	1.01	26,300	-
Dreyfus Fund Inc (26300)				
5. Healy (S A) Co	24,700	.95	24,700	-
6. Ford Foundation	20,000	.77	20,000	-
7. Goodman, Bruce K#	18,708	.72	18,708	-
8. Wells Fargo Bank NA	18,624	.71	18,974	-
9. Rosenberg, Joan G	15,366	.59	15,366	-
10. Signal Insurance Co	11,000	.42	11,000	-
Imperial Insurance Co (11000)				
11. Knudsen, Earl	10,000	.38	10,000	-
12. Cincinnati Financial Corp<	10,000	.38	10,000	-
Cincinnati Insurance Co (2000)				
Inter-Ocean Insurance Co (8000)				
13. Educators Fund Management Corp*	10,000	.38	10,000	-
N.E.A. Mutual Fund (10000)				
14. Shanis, Beckie	8,850	.34	8,850	-
15. Merrill Lynch & Co Inc<	-	-	-	129,995
Merrill Lynch Pierce Fenner & Sm+ (129995)				
16. Marine Midland Bank-New York	-	-	-	91,250
17. Salomon Brothers+	-	-	-	65,100
18. Paine Webber Jackson & Curtis Inc+	-	-	-	29,905
TOTALS	795,848	30.66%	796,198	

TOP 5 SHAREHOLDERS VOTE 25.94% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 29.16% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 30.66% OF THE STOCK.

SANTA FE INDUSTRIES INC

224 S. Michigan Ave., Chicago, IL 60604

Incorporated: Delaware
Fortune Rank: 10 T
Assets: $2,640,199
Total Debt: $583,397
Debt/Asset Ratio: 22.1%
Lease Commitments: NA
Number of Employees: 39,411
Operating Revenue: $1,423,079
Income: $168,951 (b)
Net Income: $120,051
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 28.9%
Regulation: SEC

Principal Underwriter(s)

DT (railroad)—First Boston Corp; Bache, Halsey Stuart & Co; Merrill Lynch

Legal Counsel(s)—NA

Transportation Subsidiaries

Atchison Topeka & Santa Fe Ry Co (RR-CN)

Comments

Labor: Company is a defendant in 2 suits by the Equal Employment Opportunity Commission for alleged discriminatory employment practices.

Legal Proceedings: Company's lumber subsidiary is a co-defendant with other U.S. and Canadian lumber and plywood manufacturers in 5 antitrust suits.

Business Lines	Percent of Operating Revenue	Percent of Income
Transportation: railroad	75.6%	45.4%
trucking	2.7	(0.5)
pipeline	1.2	(3.0)
Natural Resources: petroleum	7.9	42.4
forest products	2.4	3.1
other	0.4	0.3
Real Estate & Construction	9.8	4.6
Other Inc. Minus Unallocated Int.	—	7.7

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	25,625,138	1	25,625,138	103,924
Pfd.	1,624,777	1	1,624,777	5,884
Total Votes Outstanding			27,249,915	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Fidelity Management & Research Co*	475,000	1.74	475,000	-
Puritan Fund Inc (205000)				
Fidelity Fund Inc (270500)				
2. Bankers Trust Co	461,252	1.69	523,000	-
3. Scudder Stevens & Clark Co*	230,000	.84	230,000	-
Scudder Stevens & Clark Common (100000)				
Scudder Duo-Vest Inc (75000)				
Scudder Stevens & Clark Balanced (55000)				
4. Yale University	200,000F	.73	200,000F	-
5. Los Angeles City Employees' Retirement System	180,000	.66	180,000	-
6. Ford Foundation	175,000C	.64	175,000C	-
7. National Securities & Research Corp*	169,000	.62	169,000	-
National Securities Fd-Stock Fd (150000)				
Natl Securities Fd-Preferred St (19000)				
8. Washington National Corp<	150,000	.55	150,000	-
Anchor Corp*				
Fundamental Investors Inc (150000)				
9. USLIFE Corp<	150,000	.55	150,000	-
USLIFE Mutual Funds Management Corp*				
USLIFE Funds Inc (150000)				
10. Axe (E W) & Co Inc*	135,000	.49	135,000	-
Axe-Houghton Fund B Inc (125000)				
Axe-Houghton Fund A Inc (10000)				
11. Federated Investors Inc<	93,000	.34	93,000	-
Federated Research Corp*				
Boston Foundation Fund Inc (10000)				
Fourth Empire Fund Inc (28000)				
Lutheran Brotherhood Fund Inc (20000)				
Empire Fund Inc (15000)				
American Leaders Fund Inc (20000)				
12. Metropolitan Life Insurance Co (82000)	86,000	.31	86,000	-
Metropolitan Property & Liability (4000)				
13. Nationwide Corp<	80,000	.29	80,000	-
Heritage Securities Inc*				
Mtl Investing Foundation-Mif Fund (80000)				
14. Harvard University	75,308	.27	75,308	-
15. American National Bank & Trust (New Jersey)	72,255	.26	72,255	-
16. Bank Of America NTSA	72,103	.26	79,694	-
17. Security Pacific National Bank	70,929	.26	118,169	-
18. Capital Research & Management Co*	70,000	.25	70,000	-
American Mutual Fund Inc (70000)				
19. Vance Sanders & Co Inc*	62,600	.22	62,600	-
Vance Sanders Income Fund (46900)				
Leverage Fund Of Boston (15700)				
20. SAFECO Corp<	62,500	.22	62,500	-
General Insurance Co Of America (35000)				
SAFECO Insurance Co Of America (25000)				
SAFECO Investment Management Corp*				
SAFECO Income Fund Inc (2500)				
21. Wood Struthers & Winthrop Inc+	60,000	.22	60,000	-
Wood Struthers & Winthrop Management Corp*				
Pine Street Fund Inc (60000)				
22. Mellon Bank NA	50,701	.18	58,371	-
23. New England Mutual Life Insurance Co	50,100	.18	50,100	-
Loomis Sayles & Co Inc*				
Loomis Sayles Mutual Fund Inc (45000)				
NEL Equity Fund Inc (5100)				
24. Continental Illinois National Bank & Trust Co	45,374	.16	62,666	-

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS Voting Power Number of Votes	MANAGED HOLDINGS Voting Power Percent Total Votes	MANAGED HOLDINGS Total Managed Holdings	ADDITIONAL HOLDINGS Management Powers Not Identified
25. Western Bancorporation< First National Bank Of Nevada (80899)	24,880	.09	80,899	-
26. United States Trust Co	20,703X	.07	86,331X	-
27. Chase Manhattan Bank NA	17,000	.06	63,000	-
28. New England Merchants National Bank	16,507	.06	56,312	-
29. Seattle-First National Bank	13,900	.05	74,100	-
30. Marine Midland Bank-NY Midwest Securities Investment Co (5000)	5,000	.01	732,273	-
31. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (552350)	-	-	-	552,350
TOTALS	3,374,112	12.38%	4,510,578	

TOP 5 SHAREHOLDERS VOTE 5.67% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 8.53% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 10.03% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 11.27% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 12.11% OF THE STOCK.

SEA CONTAINERS INC

1 World Trade Ctr., New York, NY 10048

Incorporated: New York
Fortune Rank: –
Assets: $137,317
Total Debt: $93,334
Debt/Asset Ratio: 68%
Lease Commitments: $1,138
Number of Employees: 265
Operating Revenue: $41,512
Income: $9,873 (b)
Net Income: $7,485
Foreign Operating Revenue: 62.4%
Foreign Income: 57.8%
Income Tax Rate: 21.7%
Regulation: SEC

Principal Underwriter(s)

S (1971)–Burnham & Co; New York Securities Co

Legal Counsel(s)

Carter, Ledyard & Milburn (General Counsel), NY: fees for 1974–$159

Transportation Subsidiaries–None

Comments

Corporate Structure: Company's principal business is the leasing of marine container equipment.

Joint Ventures: See MARITIME FRUIT CARRIERS CO LTD.

Business Lines	Percent of Operating Revenue	Percent of Income
Maritime Transportation Equip. Leasing:		
containers & chassis	77.7%	NA
containerships	20.7	NA
container cranes	1.6	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	1,868,726	1	1,868,726	1,570

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS Voting Power Number of Votes	MANAGED HOLDINGS Voting Power Percent Total Votes	MANAGED HOLDINGS Total Managed Holdings	ADDITIONAL HOLDINGS Management Powers Not Identified
1. Sherwood, James B#	316,312F	16.93	316,312F	-
2. Pinto, Maurice E & Joseph J & Associates#	205,698F	11.01	205,698F	-
3. Gellert, Michael E Family Interests#	142,472F	7.62	142,472F	-
4. Schlee, Philip J R#	90,424F	4.84	90,424F	-
5. Security Benefit Life Insurance Co< Security Management Co Inc* Security Ultra Fund (35000)	35,000	1.87	35,000	-
6. Dupont Family Group Delfi Management Inc* Sigma Capital Shares Inc (30000)	30,000	1.61	30,000	-
7. Curacao International Trust Co N V* Worldwide Special Fund Nv (16300)	16,300	.87	16,300	-

SEA CONTAINERS INC

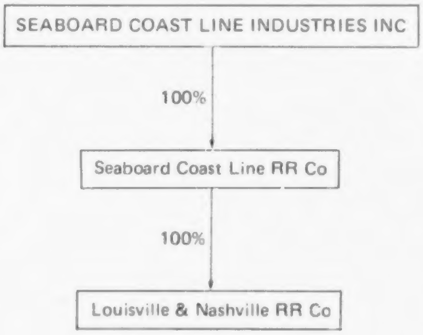
PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
8. Steadman Security Corp* Oceanographic Fund (15000)	15,000	.80	15,000	-
9. Investors Research Corp* Twentieth Century Gwth Investors (10000)	10,000	.53	10,000	-
10. Fred Alger Management Inc* Spectra Fund Inc (6000)	6,000	.32	6,000	-
11. First Trust Bank Ltd Of Nassau Bahamas Templeton Investment Counsel Ltd* Templeton Growth Fund Ltd (5000)	5,000	.26	5,000	-
12. Robinson, Hamilton Jr#	3,800F	.20	3,800F	-
TOTALS	876,006	46.88%	876,006	

TOP 5 SHAREHOLDERS VOTE 42.27% OF THE STOCK. TOP 10 SHAREHOLDERS VOTE 46.41% OF THE STOCK.

SEABOARD COAST LINE INDUSTRIES INC

3600 W. Broad St., Richmond, VA 23230

Incorporated: Delaware
Fortune Rank: 11 T
Assets: $2,594,389
Total Debt: $1,050,090
Debt/Asset Ratio: 40.5%
Lease Commitments: $2,274,918
Number of Employees: 41,300
Operating Revenue: $1,408,416
Income: $187,651 (a)
Net Income: $97,873
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 20.7%
Regulation: SEC


SEABOARD COAST LINE INDUSTRIES INC
100%
Seaboard Coast Line RR Co
100%
Louisville & Nashville RR Co

Principal Underwriter(s)—DT (1973)-Morgan Stanley & Co

Legal Counsel(s)—NA

Transportation Subsidiaries

Louisville & Nashville RR Co (RR-CN)
Seaboard Coast Line RR Co (RR-CN)

Comments

Corporate Structure: In 1975 coal and coke transportation accounted for 20% of Company's freight revenues. Company's railroad system hauls more phosphates, pulpwood and paper products than any other U.S. railroad. Company owns Clinchfield RR Co, the 39th largest U.S. railroad.

Business Lines	Percent of Operating Revenue	Percent of Income
Railroad	96.4%	88.5%
Publishing	2.1	2.9
Net Profit from Land Sales	–	6.7
Other	1.5	1.9

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	14,551,984	1	14,551,984	30,989

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Massachusetts Financial Services Inc* Massachusetts Investors Trust (525000)	525,000	3.61	525,000	-
2. Continental Investment Corp< Waddell & Reed Inc* United Accumulative Fund (111405) United Income Fund (220000) United Continental Income Fund (10370)	341,775	2.35	341,775	-

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
3. Provident National Bank	278,877	1.92	388,966	-
4. Morgan Guaranty Trust Co	251,685	1.73	263,363	-
5. Savings Banks Trust Co	243,705	1.67	243,705	-
Institutional Investors Mtl Fund (243705)				
6. American General Insurance Co<	235,000	1.61	235,000	-
Maryland Casualty Co (50000)				
Variable Annuity Life Insurance Co (70000)				
American General Capital Management Inc*				
Channing Shares Inc (50000)				
Channing Securities Inc (15000)				
Provident Fund For Income (50000)				
7. Dreyfus Corp*	224,000	1.54	224,000	-
Dreyfus Fund (224000)				
8. First National City Bank	205,449	1.41	230,736	-
9. Delaware Management Co Inc*	200,000	1.37	200,000	-
Delaware Fund (200000)				
10. Wellington Management Co*	198,750	1.37	198,750	-
Exeter Fund (15000)				
Windsor Fund (183750)				
11. New York City Comptroller'S Office	180,535H	1.24	180,535H	-
12. Lepercq De Neuflize & Co Inc*	125,000	.85	125,000	-
Istel Fund (125000)				
13. Lehman Brothers Inc+	119,000	.81	119,000	-
Lehman Corp (84000)				
One William Street Fund (35000)				
14. Harvard University	113,422F	.77	113,422F	-
15. Ford Foundation	102,000C	.70	102,000C	-
16. Washington National Corp<	100,000	.66	100,000	-
Anchor Corp*				
Anchor Growth Fund (100000)				
17. Fahnestock & Co+	93,500	.64	93,500	-
Fahnestock Advisory Corp*				
Eagle Growth Shares (3500)				
Philadelphia Fund (90000)				
18. Manufacturers Life Insurance Co (Canada)	87,000	.59	87,000	-
19. Sears Roebuck & Co<	76,534	.52	76,534	-
Allstate Insurance Co (76534)				
20. Mathers & Co Inc*	70,000	.48	70,000	-
Mathers Fund (70000)				
21. Lincoln National Corp<	70,000	.48	70,000	-
Lincoln National Invest Management Co*				
Selected American Shares (70000)				
22. City Investing Co<	62,700	.43	62,700	-
Home Insurance Co (62700)				
23. Harris Trust & Savings Bank	54,460	.37	54,660	-
24. Aetna Life & Casualty Co	51,979	.35	51,979	-
Aetna Life Insurance Co (4200)				
Aetna Variable Annuity Life Insur (47779)				
25. Penn Mutual Life Insurance Co	49,199	.33	49,199	-
26. Wachovia Bank & Trust Co NA	47,174	.32	49,159	-
27. Bank Of America NTSA	45,707	.31	46,744	-
28. Atlantic National Bank Of Jacksonville	41,168	.28	42,365	-
29. First & Merchants National Bank (Richmond)	30,585	.21	31,725	-
30. Schroders Ltd< (England)	30,000	.20	30,000	-
Schroder Trust Co				
Cheapside Dollar Fund (20000)				
Schroder Naess & Thomas Inc*				
Naess & Thomas Special Fund (10000)				
31. United States Trust Co	22,037X	.15	71,931X	-
32. First Pennsylvania Bank NA	18,438	.12	30,209	-
33. Mercantile-Safe Deposit & Trust Co	-	-	365,337	-
TOTALS	4,294,679	29.50%	4,874,294	

TOP 5 SHAREHOLDERS VOTE 11.27% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 18.57% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 22.97% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 25.90% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 27.88% OF THE STOCK.

SEATRAIN LINES INC

1 Chase Manhattan Plz., New York, NY 10005

Incorporated: Delaware
Fortune Rank: 30 T
Assets: $394,975
Total Debt: $301,869
Debt/Asset Ratio: 76.4%
Lease Commitments: $160,881
Number of Employees: 2,250
Operating Revenue: $439,480
Income: NA
Net Income: $190
Foreign Operating Revenue: See Comments
Foreign Income: See Comments
Income Tax Rate: (12.1%)
Regulation: SEC, FMC

Principal Underwriter(s)

S & DT (1969)–Kuhn, Loeb & Co

Legal Counsel(s)

Milbank, Tweed, Hadley & McCloy, NY: fees for 1974–$224

Transportation Subsidiaries

None

Comments

Corporate Structure: In both 1974 and 1975 Company's foreign subsidiaries earned approximately $38 million as opposed to a consolidated net loss for Company of over $19 million in 1974 and a net income of $190,000 in 1975. In October 1974 Company sold its shipping operations between Puerto Rico and the U.S. East Coast to the Puerto Rico Maritime Shipping Authority. See also ALEXANDER & BALDWIN INC. In January 1975 Company's shipyard in the Brooklyn Navy Yard suspended construction and layed off most of its 3,000 employees. In July 1975 Company obtained an agreement from the U.S. Department of Commerce to guarantee 90% of a $40 million loan from Chase Manhattan Bank for its shipyard operations. In June 1975 Chase and the Continental Illinois National Bank & Trust Co agreed to reschedule and restructure Company's debt. In July 1975 Company resumed its shipyard construction on a reduced scale. By the end of 1976 Company had rehired 2,100 employees. In 1976 Company acquired a Texas oil refinery, Pride Refining Inc, with 1976 revenues of $135 million.

Major Transactions: In March 1975 Company and Japan Line concluded a joint pooling agreement to provide service between the Far East and Europe. In September 1975 a Company subsidiary became the general agent in North America for the Italian Line's freight and passenger operations. Company charters 3 vessels to the Military Sealift Command of the U.S. Navy and operates 5 U.S. Navy-owned tankers under contract.

Legal Proceedings: Company is currently being investigated for possible antitrust violations by a grand jury in Puerto Rico. Company has also been charged by the U.S. Justice Department with granting preferential treatment and lower rates for particular customers between 1969-71.

Business Lines	Percent of Operating Revenue	Percent of Income
Maritime Transportation	55.3%	2,713.7%
Shipbuilding	44.7	(2,613.7)

NOTE: All financial data listed above as of 6-30-75.

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Capital	13,706,764	1	13,706,764	7,900

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Kahn Family & Associates#	4,435,552D	32.36	4,435,552D	-
Kahn, Joseph (2063335D)				
Kahn, Norman (968871D)				
Kahn, Samuel (1403346D)				
2. Pack, Howard M & Family Interests#	4,057,297D	29.60	4,057,297D	-
Pack (Howard M) Foundation (75000)				
3. United States Trust Co	28,548Y	.20	205,954Y	-
TOTALS	8,521,397	62.17%	8,698,803	

TOP 5 SHAREHOLDERS VOTE 62.17% OF THE STOCK.

SHULMAN TRANSPORT ENTERPRISES INC

20 Olney Ave., Cherry Hill, NJ 08002

Incorporated: Delaware
Fortune Rank: –
Assets: $24,211
Total Debt: $3,300
Debt/Asset Ratio: 13.6%
Lease Commitments: $10,008
Number of Employees: 1,299
Operating Revenue: $72,511
Income: $573 (b)
Net Income: $421
Foreign Operating Revenue: 14.1%
Foreign Income: 65.2%
Income Tax Rate: 19.4%
Regulation: SEC

Principal Underwriter(s)

S (1972)–Wertheim & Co

Legal Counsel(s)

Zelby, Burstein, Liberstein & Hartman (General Counsel), NY: fees for 1974–$76

Transportation Subsidiaries

Shulman Air Freight Inc (FF-CN)

Comments

Corporate Structure: In 1975 Company was licensed by the FMC to operate as an ocean forwarder in addition to its surface and air freight operations.

Joint Ventures: Since 1973 Company has engaged in joint ventures in Japan and Korea, and with THOMAS NATIONWIDE TRANSPORT LTD in Australia.

Business Lines	Percent of Operating Revenue	Percent of Income
Freight Forwarding	97.4%	113.2%
Special Small Package Delivery Service	2.6	(13.2)

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	1,175,800	1	1,175,800	407

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Shulman, Harry & Martin Family & Associates#	528,733	44.97	528,733	-
2. Burnstein, Herbert & Family#	50,379	4.28	50,379	-
3. Wertheim & Co Inc+ (9596)	22,596	1.92	22,596	-
Wertheim Advisers Inc*				
Willow Fund Inc (13000)				
4. Cowett, Wilbur A & Family#	12,896E	1.10	12,896E	-
5. Investment Planering Ab* (Sweden)	7,100	.60	7,100	-
Interfond (7100)				
6. Golub, Harvey#	5,000E	.42	5,000E	-
TOTALS	626,704	53.30%	626,704	

TOP 5 SHAREHOLDERS VOTE 52.87% OF THE STOCK.

SIGNAL COS INC

9665 Wilshire Blvd., Beverly Hills, CA 90212

Incorporated: Delaware
Fortune Rank: 121
Assets: $1,532,912
Total Debt: $348,048
Debt/Asset Ratio: 22.7%
Lease Commitments: $55,841
Number of Employees: 33,500
Operating Revenue: $1,645,003
Income: $119,300 (b)
Net Income: $176,066
Foreign Operating Revenue: See Comments
Foreign Income: NA
Income Tax Rate: 40.5%
Regulation: SEC, ICC & FMC (American President Lines Ltd)

Principal Underwriter(s)

DT (1969)–Merrill Lynch; Francis I. duPont & Co

Legal Counsel(s)

Latham & Watkins, CA: fees for 1974–$680

Transportation Subsidiaries

American President Lines Ltd (WC-UN)

Comments

Corporate Structure: In 1975 international sales accounted for 45% and 22% of the truck manufacturing division's and aerospace division's revenues respectively. In May 1975 Company acquired approximately 50.5% of the outstanding stock of Universal Oil Products Co, which subsequently changed its name to UOP Inc. UOP had 1975 revenues of $825 million. It provides petroleum and petrochemical services, engages in construction and manufactures metal and other products. The UOP acquisition, arranged by the New York investment bank Lazard Freres, was made with a portion of the proceeds from the 1974 sale of Company's oil and gas operations to Burmah Oil Inc. In April 1976 Dresser Industries Inc proposed to acquire Company. Dresser withdrew its bid when Company countered with a joint tender offer with Gulf + Western Industries Inc for 6.4 million of its own shares, 3.9 million of which would be acquired by Gulf + Western. Lazard Freres acted as dealer-manager in this bid. As of November 1976 Company had acquired about 10% of its stock but Gulf + Western had acquired only 0.2%.

Changes in Corporate Control: In December 1976 Capitalfin International Ltd, an Italian investment bank, sold its 900,000 shares of Company's common stock to several unidentified mutual funds. The shares were originally acquired from Cemp Investments Ltd, a Montreal-based group controlled by the Bronfman family interests.

Major Transactions: In 1975 Company was the 63rd largest defense contractor with over $90 million in revenues from military contracts.

Labor: In 1974 the Equal Employment Opportunity Commission filed a suit against a Company subsidiary for discriminatory employment practices.

Payments Disclosure: In February 1976 UOP disclosed that it had made $90 million in revenues from military contracts.

Business Lines	Percent of Operating Revenue	Percent of Income
Truck Manufacturing	60.5%	59.1%
Aerospace & Industrial Products	33.9	27.4
Other	5.6	3.1
Real Estate	–	(5.2)
Maritime Transportation	–	2.9
Short-Term Investments	–	23.5
Corporate Expenses	–	(10.8)

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (12-31-75)
Common	19,117,205	1	19,117,205	43,767
$2.20 CU CV Pfd.	782,600	1	782,600	7,318
$1.00 CU CV Pfd.	314,356	1	314,356	2,218
Total Votes Outstanding			20,214,161	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Bank Of America NTSA Signal Cos Savings & Stock Pur Pl/8816 Participants (2273157)	2,302,414	11.39	2,902,419	-
2. Capitalfin International Ltd (Italy/Bahamas)	1,022,696E	5.06	1,022,696E	-
3. Lord Abbett & Co• Affiliated Fund Inc (556678)	556,678	2.75	556,678	-
4. Dreyfus Corp* Dreyfus Fund Inc (274994)	274,994	1.36	274,994	-
5. Fidelity Management & Research Co* Puritan Fund Inc (257500)	257,500	1.27	257,500	-
6. Melamid, George#	136,600	.67	136,600	-
7. Security Pacific National Bank	131,641	.65	146,277	-
8. Wetzel, Harry H & Family#	95,372	.47	95,372	-
9. Delaware Management Co Inc* Delaware Fund Inc (87550)	87,550	.43	87,550	-
10. Adams Express Co Petroleum Corp Of America (65563)	65,563	.32	65,563	-
11. First City National Bank Of Houston	63,525	.31	63,575	-
12. Robeco* (Netherlands) Rolinco (62000E)	62,000E	.30	62,000E	-
13. Alfonds Gesellshaft* (West Germany) Allfonds (53140)	53,140	.26	53,140	-
14. Shumway, Forrest N#	50,926	.25	50,926	-
15. Manufacturers Life Insurance Co (Canada)	49,809	.24	49,809	-
16. United States Trust Co	35,542X	.17	61,682X	-
TOTALS	5,245,950	25.95%	5,886,781	

TOP 5 SHAREHOLDERS VOTE 21.84% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 24.39% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 25.78% OF THE STOCK.

SMITH'S TRANSFER CORP

Box 1000, U.S. Rt. 11 N., Staunton, VA 24401

Incorporated: Virginia
Fortune Rank: –
Assets: $99,369
Total Debt: $45,514
Debt/Asset Ratio: 45.8%
Lease Commitments: NA
Number of Employees: 4,806
Operating Revenue: $137,774
Income: $13,834 (a)
Net Income: $5,313
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 47.9%
Regulation: SEC, ICC

Principal Underwriter(s)

S & DT (1971)--Wheat & Co; Galleher & Co

Legal Counsel(s)

Hunton, Williams, Gay & Gibson (Gen. Couns.), VA: fees for 1974–NA; Macdonald & McInerny, DC: fees for 1974–NA

Transportation Subsidiaries

None

Comments

Changes in Corporate Control: In December 1975 J.C. Penney sold the E&E Mutual Fund to a fund managed by Drexel Burnham & Co Inc.

Business Lines	Percent of Operating Revenue	Percent of Income
Trucking	90%+	90%+

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	2,375,590	1	2,375,590	4,609

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Smith, R R#	226,980	9.55	226,980	-
2. Harrison, R P#	159,513	6.71	159,518	-
3. Penney (J C) Co Inc< Educator & Executive Counsel Corp* E & E Mutual Fund Inc (127819)	127,819	5.38	127,819	-
4. First & Merchants National Bank (Richmond Va) Smith'S Transfer Emp Retir Tr (102365H)	102,365H	4.31	142,448H	-
5. Keystone Custodian Funds Inc* Keystone Custodian Fds Series S-4 (90000)	90,000	3.79	90,000	-
6. Common Fund	80,000F	3.37	80,000F	-
7. Penn Mutual Life Insurance Co (46800) Penn Mutual Equity Fund Inc (2100)	48,900	2.06	48,900	-
8. Chestnutt Corp* American Investors Fund Inc (37950)	37,950	1.60	37,950	-
9. Wellington Management Corp* Gemini Fund Inc (30000)	30,000	1.26	30,000	-
10. Integon Corp< Integon Indemnity Corp (3500) Integon Life Insurance Corp (16000) Integon Investment Management Corp* Integon Growth Fund Corp (9800)	29,300	1.23	29,300	-
11. Bank Of America NTSA	27,900	1.17	29,500	-
12. Capital Research & Management Co* Amcap Fund Inc (25000)	25,000	1.05	25,000	-
13. Gilbert, J F#	16,011	.67	16,011	-
14. Fitz-Hugh, W G#	12,903	.54	12,903	-
15. Johnson, W M#	11,339	.47	11,339	-
16. Lescure, W C#	6,849	.28	6,849	-
17. Helm, A W#	5,250	.22	5,250	-
18. Gilmer, P H#	5,250	.22	5,250	-
19. National City Bank Of Cleveland	1,000	.04	11,000	-
20. Wachovia Bank & Trust Co NA	-	-	33,200	-
21. Bankers Trust Co	-	-	-	50,000
22. Bank Of Montreal	-	-	-	30,300
23. Bank Of New York	-	-	-	18,450
TOTALS	1,044,334	43.96%	1,129,217	

TOP 5 SHAREHOLDERS VOTE 29.75% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 39.27% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 43.19% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 43.96% OF THE STOCK.

SOO LINE RR CO

Soo Line Bldg., Minneapolis, MN 55440

Incorporated: Minnesota
Fortune Rank: 37 T
Assets: $317,809
Total Debt: $101,102
Debt/Asset Ratio: 31.8%
Lease Commitments: $32,536
Number of Employees: 5,164
Operating Revenue: $179,792
Income: $24,049 (a)
Net Income: $14,307
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 39.4%
Regulation: SEC, ICC

Principal Underwriter(s)

DT–Salomon Brothers

Legal Counsel(s)

Gray, Plant, Mooty & Anderson, MN: fees for 1974–$75
White, Hirschboeck, Minahon, Harding & Harland, WI: fees for 1974–$53

Transportation Subsidiaries

None

Comments

Corporate Structure: See BURLINGTON NORTHERN INC.

Business Lines	Percent of Operating Revenue	Percent of Income
Railroad: freight	97.4%	NA
other	2.6	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	2,529,602	1	2,529,602	4,160

<table>
<tr><th rowspan="3">PRINCIPAL STOCKHOLDERS</th><th colspan="3">MANAGED HOLDINGS</th><th>ADDITIONAL HOLDINGS</th></tr>
<tr><th colspan="2">Voting Power</th><th rowspan="2">Total Managed Holdings</th><th rowspan="2">Management Powers Not Identified</th></tr>
<tr><th>Number of Votes</th><th>Percent Total Votes</th></tr>
<tr><td>1. Canadian Pacific Ltd (PT)</td><td>1,409,906</td><td>55.74</td><td>1,409,906</td><td>-</td></tr>
<tr><td>2. Champlin, George S</td><td>32,646</td><td>1.29</td><td>32,646</td><td>-</td></tr>
<tr><td>3. Campbell, Julia Courtney & Family</td><td>16,200</td><td>.64</td><td>16,200</td><td>-</td></tr>
<tr><td>4. Dart (E M) Manufacturing Co</td><td>13,000</td><td>.51</td><td>13,000</td><td>-</td></tr>
<tr><td>5. Hartman Brothers</td><td>7,200</td><td>.28</td><td>7,200</td><td>-</td></tr>
<tr><td>6. Richter, Margaret D</td><td>6,696</td><td>.26</td><td>6,696</td><td>-</td></tr>
<tr><td>7. Signal Insurance Co (4000)
Imperial Insurance Co (2000)</td><td>6,000</td><td>.23</td><td>6,000</td><td>-</td></tr>
<tr><td>8. Lash, Elder L Jr</td><td>5,600</td><td>.22</td><td>5,600</td><td>-</td></tr>
<tr><td>9. Matheson, Hugh M Jr</td><td>5,000</td><td>.19</td><td>5,000</td><td>-</td></tr>
<tr><td>10. Continental Illinois Natl Bank & Trust Co</td><td>-</td><td>-</td><td>13,102</td><td>-</td></tr>
<tr><td>11. Merrill Lynch & Co Inc<
Merrill Lynch Pierce Fenner & Sm+ (66271)</td><td>-</td><td>-</td><td>-</td><td>66,271</td></tr>
<tr><td>12. Bankers Trust Co</td><td>-</td><td>-</td><td>-</td><td>22,900</td></tr>
<tr><td>13. Harris Upham & Co Inc+</td><td>-</td><td>-</td><td>-</td><td>19,930</td></tr>
<tr><td>14. Reynolds Securities Inc+</td><td>-</td><td>-</td><td>-</td><td>19,489</td></tr>
<tr><td>15. Bache Halsey Stuart Inc+</td><td>-</td><td>-</td><td>-</td><td>11,482</td></tr>
<tr><td>16. Crocker National Bank</td><td>-</td><td>-</td><td>-</td><td>10,700</td></tr>
<tr><td>17. Dean Witter & Co+</td><td>-</td><td>-</td><td>-</td><td>9,900</td></tr>
<tr><td>18. Thomson Mckinnon Auchincloss Kohlmeyer Inc+</td><td>-</td><td>-</td><td>-</td><td>7,814</td></tr>
<tr><td>19. Pershing & Co Inc+</td><td>-</td><td>-</td><td>-</td><td>7,787</td></tr>
<tr><td>20. Shearson Hayden Stone Inc<</td><td>-</td><td>-</td><td>-</td><td>7,437</td></tr>
<tr><td>21. Wells Fargo Bank NA</td><td>-</td><td>-</td><td>-</td><td>6,900</td></tr>
<tr><td>22. Loeb Rhoades & Co+</td><td>-</td><td>-</td><td>-</td><td>6,539</td></tr>
<tr><td>23. Hutton (E F) & Co Inc+</td><td>-</td><td>-</td><td>-</td><td>6,385</td></tr>
<tr><td>24. Paine Webber Jackson & Curtis Inc+</td><td>-</td><td>-</td><td>-</td><td>6,186</td></tr>
<tr><td>25. Chemical Bank</td><td>-</td><td>-</td><td>-</td><td>6,100</td></tr>
<tr><td>26. INA Corp<
Blyth Eastman Dillon & Co+ (5816)</td><td>-</td><td>-</td><td>-</td><td>5,816</td></tr>
<tr><td>TOTALS</td><td>1,502,248</td><td>59.39%</td><td>1,515,350</td><td></td></tr>
</table>

TOP 5 SHAREHOLDERS VOTE 58.47% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 59.39% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 59.39% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 59.39% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 59.39% OF THE STOCK.

SOUTHERN AIRWAYS INC

Hartsfield Atlanta International Airport, Atlanta, GA 30320

Incorporated: Delaware
Fortune Rank: –
Assets: $67,656
Total Debt: $36,701
Debt/Asset Ratio: 54.2%
Lease Commitments: $102,713
Number of Employees: 2,639
Operating Revenue: $108,352
Income: $6,883 (a)
Net Income: $3,482
Foreign Operating Revenue: Insignificant

Foreign Income: Insignificant
Income Tax Rate: 27.5%
Regulation: SEC, CAB

Principal Underwriter(s)

DT (1968)–Alex Brown & Sons

Legal Counsel(s)

Bradley, Arant, Rose & White (Gen. Couns.), AL: fees for 1974–$39; Fisher & Phillips, GA: fees for 1974–$74; Ballard & Beasley, DC: fees for 1974–$44

Transportation Subsidiaries –None

Business Lines		Percent of Operating Revenue	Percent of Income
Airline:	passenger	80.1%	NA
	mail, express & freight	4.7	NA
	subsidies	6.3	NA
	charter	6.4	NA
	other	2.5	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	1,580,230	1	1,580,230	5,283
CV Pfd.	164,431	1	164,431	465
Total Votes Outstanding			1,744,661	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Hulse, Frank W & Family#	147,235	8.44	147,235	-
2. Trippeer, Richard A Jr & Associates#	59,318	3.40	59,318	-
3. Irby Family Interests#	27,723	1.59	27,723	-
Irby, Alton F Jr & Family (27173)				
Irby (A F) & Co (550)				
4. Stephens, Elton B & Family Interests#	23,963	1.37	23,963	-
5. Beasley, Cecil A Jr#	23,806	1.36	23,806	-
6. Root Co	21,000B	1.20	21,000B	-
7. Jordan, Gunby G & Family Interests#	20,336	1.17	20,336	-
8. Garrison, Roy W	19,000B	1.09	19,000B	-
9. Young, Frank M	17,350B	.99	17,350B	-
10. Cobb, Henry H Jr	16,420B	.94	16,420B	-
11. Brunini, A J	14,500B	.83	14,500B	-
12. Maxson, A L#	13,620	.78	13,620	-
13. Allen, Ivan#	13,489	.77	13,489	-
14. Hall, Graydon#	13,331	.76	13,331	-
15. Imes, Birney Jr	12,318B	.70	12,318B	-
16. Robinson, James A	12,069B	.69	12,069B	-
17. White, Wm Bew Jr#	10,166	.58	10,166	-
18. American Fidelity Life Insurance Co	10,002B	.57	10,002B	-
19. Gross, George M#	9,435	.54	9,435	-
20. Waters, Newman H	9,300B	.53	9,300B	-
21. Miller, Clifton	9,000B	.51	9,000B	-
22. Chatham, R Pierce	8,794B	.50	8,794B	-
23. Pruitt, V C#	8,660	.49	8,660	-
24. Carter, Richard	8,400B	.48	8,400B	-
25. Orr Family Interests#	7,188	.41	7,188	-
Orr, R Eugene (2688)				
Orr & Co (2000)				
Florida First Securities (2500)				
26. Johnston, Henry P#	6,455	.36	6,455	-
27. Purvis, Frank G#	4,600	.26	4,600	-
28. Wiley, T A Jr#	4,285	.24	4,285	-
29. Merrill Lynch & Co Inc<	-	-	-	68,208B
Merrill Lynch Pierce Fenner & Sm+ (68208B)				
30. Paine Webber Jackson & Curtis Inc+	-	-	-	37,707B
31. Robinson-Humphrey Co Inc+	-	-	-	15,891B
TOTALS	551,763	31.63%	551,763	

TOP 5 SHAREHOLDERS VOTE 16.17% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 21.56% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 25.42% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 28.34% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 30.75% OF THE STOCK.

SOUTHERN NATURAL RESOURCES INC

First National-Southern Natural Bldg., Birmingham, AL 35203

Incorporated: Delaware
Fortune Rank: –
Assets: $1,066,276
Total Debt: $506,356
Debt/Asset Ratio: 47.5%
Lease Commitments: None
Number of Employees: 5,200
Operating Revenue: $538,572
Income: $95,910 (b)
Net Income: $59,211
Foreign Operating Revenue: 19.9%
Foreign Income: NA
Income Tax Rate: 33.5%
Regulation: SEC

Principal Underwriter(s)

DT (pipeline)–Blyth Eastman Dillon; Merrill Lynch; Lehman Bro.

Legal Counsel(s)

Hughes, Hubbard & Reed, NY: fees for 1974--$249

Transportation Subsidiaries

Southern Natural Gas Co (PG-CN)
Sea Robin Pipeline Co (PG-UN)

Comments

Corporate Structure: Company owns 91% of Offshore Co, one of the world's largest oil and gas offshore drilling contractors.

Joint Ventures: Beginning in 1977-78 Southern Natural Gas Co (ST) expects to import Algerian liquified natural gas under an agreement with EL PASO CO. In 1974-75 Company participated in ventures headed by STANDARD OIL CO OF CALIFORNIA and Shell Oil Co which acquired federal offshore leases in the Gulf of Mexico. A Company subsidiary is engaged in joint ventures with STANDARD OIL CO (INDIANA) and a member of the ROYAL DUTCH/SHELL GROUP to equip ships with offshore drilling units. Company has a joint venture with Boise Cascade to run pulp, paper and timber operations and to develop oil, gas and mineral resources on a 400,000-acre tract of land in Louisiana and Texas.

Major Transactions: Southern Natural Gas Co purchases 10% of its natural gas from UNITED GAS PIPE LINE CO and 22% from Sea Robin Pipeline Co (ST). In October 1976 Southern Natural Gas Co contracted with the State of Alaska to buy 650 billion cubic feet of gas over a 20-year period. This represents 17% of the state's royalty reserves from the Alaskan North Slope.

Payments Disclosure: In March 1977 Company disclosed that 2 subsidiaries made payoffs to government officials in 2 foreign countries.

Business Lines		Percent of Operating Revenue	Percent of Income
Natural Gas:	pipeline	70.2%	69.8%
	exploration & production	6.1	1.3
	intercompany sales	(1.4)	–
Contract Drilling		20.3	23.7
Forest Products		0.9	4.7
Other		3.9	0.4

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	10,057,037	1	10,057,037	23,500
Ser. 2 CU CV Pfd.	27,251	1	27,251	23
Total Votes Outstanding			10,084,288	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Southern Natural Resources Stock Purchase Pl (1515 Pcts/Internal Administration)	214,269	2.12	214,269	–
2. Dreyfus Corp* Dreyfus Fund (192200)	192,200	1.91	192,200	–
3. United States Trust Co	191,563X	1.90	919,934X	–
4. Rhode Island Hospital Trust National Bank	143,117	1.42	144,317	–
5. First National Bank Of Chicago	142,982	1.42	190,528	–
6. New York City Teachers' Retirement System	137,754	1.37	137,754	–
7. Ohio State Teachers Retirement System	125,000H	1.24	125,000H	–
8. Texas Teacher Retirement System	100,500G	.99	100,500G	–
9. New England Merchants National Bank	68,408	.67	86,254	–
10. Northwestern National Bk Of Minneapolis	59,924	.59	61,824	–
11. New York City Comptroller'S Office	59,500H	.59	59,500H	–
12. Hartford National Bank & Trust Co	52,079	.51	64,179	–
13. Allendale Group< Allendale Mutual Insurance Co (25000) Arkwright-Boston Mfgs Mutual Insur (25500)	50,500	.50	50,500	–
14. First National Bank Of Birmingham	46,042	.45	303,748	–
15. City Investing Co< Home Insurance Co (44000)	44,000	.43	44,000	–
16. Walter E Heller International Corp< American Natl Bk & Tr Co Of Chicago (43597)	38,178	.37	43,597	–
17. First National Exchange Bank Of Virginia	37,232	.36	38,985	–
18. Princeton University	36,658	.36	36,658	–
19. Virginia National Bank (Norfolk)	29,786	.29	30,486	–

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
20. USLIFE Corp< USLIFE Mutual Fds Management Corp* USLIFE Funds (28500)	28,500	.28	28,500	-
21. Lincoln National Bank & Tr Co Of Fort Wayne	26,686	.26	27,586	-
22. South Carolina National Bank	25,299	.25	30,231	-
23. Central Securities Corp	25,000	.24	25,000	-
24. First Security Bank Of Utah NA	22,300	.22	22,400	-
25. Wachovia Bank & Trust Co NA	22,267	.22	26,167	-
26. Vanderbilt University	22,200B	.22	22,200B	-
27. Society National Bank Of Cleveland	20,834	.20	20,834	-
28. Wellesley College	20,000	.19	20,000	-
29. American National Financial Corp< American National Insurance Co (20000)	20,000	.19	20,000	-
30. Connecticut Mutual Life Insurance Co	20,000	.19	20,000	-
31. Bush Foundation	20,000D	.19	20,000D	-
32. Industrial National Bank Of Rhode Island	19,866	.19	24,190	-
33. First National City Bank (NY)	17,175	.17	32,329	-
34. Provident National Bank	15,745	.15	21,589	-
35. Citizens & Southern National Bank<	14,150	.14	32,210	-
36. Chase Manhattan Bank NA	10,000	.09	111,000	-
37. Riggs National Bank (DC)	4,630	.04	35,430	-
TOTALS	2,124,344	21.07%	3,169,630	

TOP 5 SHAREHOLDERS VOTE 8.77% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 13.64% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 16.14% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 17.83% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 19.04% OF THE STOCK.

SOUTHERN PACIFIC CO

1 Market St., San Francisco, CA 94105

Incorporated: Delaware
Fortune Rank: 4 T
Assets: $3,614,268
Total Debt: $926,846
Debt/Asset Ratio: 25.6%
Lease Commitments: $177,174
Number of Employees: 49,500
Operating Revenue: $1,712,797
Income: $169,473 (a)
Net Income: $111,911
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 32.2%
Regulation: SEC

Principal Underwriter(s)

DT (railroad)–Salomon Brothers

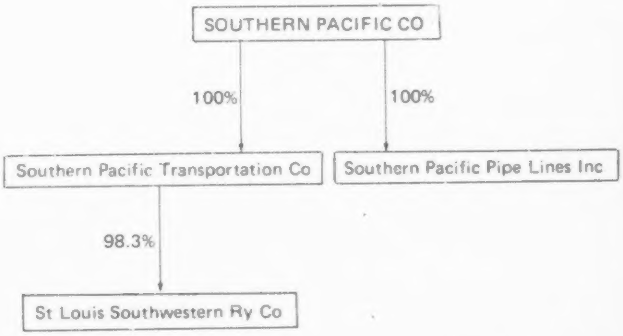
Legal Counsel(s) – NA

Transportation Subsidiaries

Southern Pacific Pipe Lines Inc (PO-CN)
Southern Pacific Transportation Co (RR-CN)
St Louis Southwestern Ry Co (RR-CN)

Comments

Joint Ventures: See PHILLIPS PETROLEUM CO.


SOUTHERN PACIFIC CO
100%
100%
Southern Pacific Transportation Co
Southern Pacific Pipe Lines Inc
98.3%
St Louis Southwestern Ry Co

Business Lines		Percent of Operating Revenue	Percent of Income
Transportation:	railroad	89.0%	83.1%
	trucking	5.9	(0.7)
	pipeline	2.8	11.9
Land, Real Estate & Natural Resources		1.9	8.5
Communications		0.3	(2.9)

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	26,625,525	1	26,625,525	85,276

SOUTHERN PACIFIC CO

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Massachusetts Financial Services Inc*	650,000	2.44	650,000	-
Massachusetts Investors Trust (500000)				
Mass Income Development Fund (150000)				
2. Lord Abbett & Co*	348,100	1.31	348,100	-
Affiliated Fund Inc (348100)				
3. Wells Fargo Bank NA	328,191	1.23	1,487,251	-
4. First National City Bank (NY)	322,866	1.21	411,275	-
5. California, University Of	229,627G	.86	229,627G	-
6. Continental Illinois National Bank & Trust Co	229,511	.86	234,578	-
7. Bank Of California NA	204,501	.76	260,772	-
8. Bank Of America NTSA	200,494	.75	224,839	-
9. Los Angeles County Employees' Retirement Assn	200,000	.75	200,000	-
10. Fidelity Management & Research Co*	199,000	.74	199,000	-
Puritan Fund Inc (174000)				
Fidelity Destiny Fund Inc (25000)				
11. Capital Research & Management Co*	181,000	.67	181,000	-
Washington Mutual Investors Fund (130000)				
Income Fund Of America Inc (11000)				
American Investment Income Fund (40000)				
12. Vance Sanders & Co Inc*	163,855	.61	163,855	-
Vance Sanders Investors Fund (100000)				
Depositors Fund Of Boston Inc (28855)				
Leverage Fund Of Boston (35000)				
13. American Security & Trust Co (DC)	132,353	.49	136,028	-
14. American Financial Corp<	121,500	.45	121,500	-
American Empire Insurance Co (9000)				
Constellation Reinsurance Co (10000)				
Great American Insurance Co (100000)				
Republic Indemnity Co Of America (2500)				
15. Calvin Bullock Ltd*	120,000	.45	120,000	-
Dividend Shares Inc (95100)				
Bullock Fund Ltd (24900)				
16. Nationwide Corp<	110,000	.41	110,000	-
Heritage Securities Inc*				
Mutual Investing Found-Mif Fd (110000)				
17. Crane Co	110,000E	.41	110,000E	-
18. Lincoln National Corp<	107,200	.40	107,200	-
Lincoln National Life Insurance Co (60500)				
Lincoln National Investment Management Co*				
Selected American Shares Inc (46700)				
19. USLIFE Corp<	100,000	.37	100,000	-
USLIFE Mutual Fds Management Corp*				
USLIFE Funds Inc (100000)				
20. Commerce Bank Of Kansas City NA	85,008	.31	85,008	-
21. Pioneer Western Corp<	85,000	.31	85,000	-
Pioneering Management Corp*				
Pioneer Fund Inc (85000)				
22. Dreyfus Corp*	80,600	.30	80,600	-
Dreyfus Fund Inc (80600)				
23. Ivory & Sime-Caribbean Management Co*	80,000	.30	80,000	-
Viking Resources Internl N V (80000)				
24. Security Pacific National Bank	78,226	.29	91,666	-
25. Scudder Stevens & Clark Co*	76,082	.28	76,082	-
Scudder Duo-Vest Inc (40900)				
Scudder Duo-Vest Exchange Fund (35182)				
26. Northwestern Mutual Life Insurance Co	71,000	.26	71,000	-
27. Seattle-First National Bank	63,625	.23	66,237	-
28. Commonwealth Fund	60,000F	.22	60,000F	-
29. National Securities & Research Corp*	60,000	.22	60,000	-
National Securities Fund-Stock Fd (60000)				
30. Provident National Bank (Penn)	56,477	.21	70,485	-
31. New York City Teachers' Retirement System	51,166	.19	51,166	-
32. First Pennsylvania Bank NA	21,790	.08	59,715	-
33. United States Trust Co	14,939X	.05	103,947X	-
TOTALS	4,942,111	18.56%	6,435,931	

TOP 5 SHAREHOLDERS VOTE 7.06% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 10.94% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 13.64% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 15.56% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 17.06% OF THE STOCK.

SOUTHERN RY CO

920 15th St. N.W., Washington, DC 20005

Incorporated: Virginia
Fortune Rank: 15 T
Assets: $2,023,698
Total Debt: $674,978
Debt/Asset Ratio: 33.4%
Lease Commitments: $178,200
Number of Employees: 21,581
Operating Revenue: $909,325
Income: $249,242 (a)
Net Income: $88,106
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 36.1%
Regulation: SEC, ICC

Principal Underwriter(s)

DT–Salomon Brothers

Legal Counsel(s)

Covington & Burling, DC: fees for 1974–$227; Hall & Bloch: fees for 1974–$99; Cleary, Gottlieb, Steen & Hamilton, NY: fees for 1974–$69; Sadler, Sadler, Sullivan & Sharp: fees for 1974–$69

Transportation Subsidiaries

None

Comments

Corporate Structure: In early 1976 Company expressed an interest in acquiring a 460-mile line in the Delmarva Peninsula from the bankrupt Penn Central Transportation Co (ST). The acquisition did not materialize when Company and unions could not agree on contract terms and work rules for the transferred workers. See MISSISSIPPI RIVER CORP for merger plans.

Labor: Company layed off 2,300 employees when it closed its repair shops for 6 months in 1975.

Payments Disclosure: In February 1976 Earl Butz, then Secretary of Agriculture, admitted he attended a Company hunting lodge party at the Company's expense. Butz finally agreed to pay half of his expenses, the government paying the other half. Butz claimed that lower-level agriculture officials have been making such Christmas visits to the Company's lodge for years. Company is a major shipper of farm produce.

Business Lines		Percent of Operating Revenue	Percent of Income
Railroad:	freight	97 7%	NA
	passenger	0.6	NA
	other	1.6	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	14,476,898	1	14,476,898	25,356
$10 Pfd.	5,855,944	1	5,855,944	9,864
Ser. A Serial Pref.	374,608	1	374,608	1,032
Total Votes Outstanding			20,707,450	

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Capital Research & Management Co• Investment Co Of America (163600) American Mutual Fund Inc (265000) Washington Mutual Investors Fund (196000)	624,600	3.02	624,600	-
2. Lord Abbett & Co Inc• Affiliated Fund Inc (400000)	400,000	1.93	400,000	-
3. Penn Virginia Corp	400,000	1.93	400,000	-
4. Equitable Life Assurance Society Of The US	278,000	1.34	278,000	-
5. Morgan Guaranty Trust Co	277,010	1.34	371,310	64,790
6. Springs Mills Inc	230,524	1.11	230,524	-
7. Ford Foundation	221,000C	1.07	221,000C	-
8. First National City Bank (NY)	218,700	1.06	227,100	147,616
9. Wellington Management Co• Wellington Fund Inc (217000)	217,000	1.05	217,000	-
10. Los Angeles County Employees' Retirement Assn	200,000	.96	200,000	-
11. American Security & Trust Co (DC)	196,078	.94	197,138	13,867
12. First & Merchants National Bank (Richmond) Southern Railway Employee Stock Purchase Plan/Participants (178801)	184,442	.89	184,442	6,239
13. Aetna Life & Casualty Co Aetna Life Insurance Co (81300) Aetna Variable Annuity Life Insur (54000)	135,300	.65	135,300	-
14. Western Bancorporation< United California Bank (422237)	132,315	.63	132,315	289,922
15. Bankers Trust Co	115,815	.55	232,000	624,862
16. Bank Of New York	111,300E	.53	111,300E	51,847
17. First National Bank Cincinnati	105,643	.51	107,499	-
18. Calvin Bullock Ltd• Dividend Shares Inc (100000)	100,000	.48	100,000	-

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
19. Eaton & Howard Inc*	100,000	.48	100,000	-
Eaton & Howard Stock Fund (100000)				
20. New York City Comptroller'S Office	98,000H	.47	98,000H	-
21. Savings Banks Trust Co	89,000	.42	89,000	-
22. Metropolitan Life Insurance Co	81,000	.39	81,000	-
23. Sandersville Railroad Co	77,200	.37	77,200	-
24. Gates Rubber Co< (PT)	75,000	.36	75,000	-
Financial Programs Inc*				
Financial Industrial Fund Inc (75000)				
25. Crum & Foster<	70,000	.33	70,000	-
International Insurance Co (6000)				
North River Insurance Co (19000)				
Westchester Fire Insurance Co (14000)				
United States Fire Insurance Co (31000)				
26. Washington National Corp<	70,000	.33	70,000	-
Anchor Corp*				
Fundamental Investors Inc (55000)				
Anchor Spectrum Fund Inc (15000)				
27. Minnesota Mutual Life Insurance Co	67,400	.32	67,400	-
28. Oppenheimer & Co+	65,000	.31	65,000	-
Oppenheimer Management Corp*				
Oppenheimer Fund Inc (65000)				
29. Delaware Management Co Inc*	63,600	.30	63,600	-
Delaware Fund Inc (63600)				
30. Schroders Ltd< (England)	63,000	.30	63,000	-
Schroder Trust Co				
International Holdings Corp (60000)				
Henry (J) Schroder Wage & Co Ltd				
Continental & Industrial Trust Ltd (3000)				
31. American Financial Corp<	60,000	.28	50,000	-
Constellation Reinsurance Co (60000)				
32. Provident National Bank (Penn)	58,229	.28	66,131	-
33. Anderson Clayton & Co<	50,000	.24	50,000	-
Pan American Fire & Casualty Co (40000)				
Ranger Insurance Co (10000)				
34. Provident Life & Accident Insurance Co	50,000	.24	50,000	-
35. Northern Trust Co	50,000	.24	50,000	15,000
36. Penn Mutual Life Insurance Co	46,000	.22	46,000	-
37. Riggs National Bank (DC)	45,495	.21	45,495	62,436
38. Chubb Corp<	44,800	.21	44.800	-
Federal Insurance Co (41100)				
Great Northern Insurance Co (3700)				
39. Continental Corp<	44,000	.21	44,000	-
Buckeye Union Insurance Co (25000)				
National Reinsurance Corp (19000)				
40. First Union Inc<	42,000	.20	42,000	55,696
St Louis Union Trust Co (97696)				
41. Richmond Corp<	40,000	.19	40,000	-
Leatherby Insurance Co (40000)				
42. M G I C Investment Corp<	40,000	.19	40,000	-
Mortgage Guaranty Insurance Corp (40000)				
43. Neuberger & Berman+	40,000	.19	40,000	-
Cedar Street Consultants Inc*				
Energy Fund Inc (40000)				
44. Bank Of America NTSA	39,070	.18	39,586	-
45. First Pennsylvania Bank NA	29,776	.14	81,924	-
46. Chase Manhattan Bank NA	29,000	.14	70,000	225,134
47. Manufacturers Hanover Trust Co	25,270D	.12	25,270D	103,712
48. Marine Midland Bank-New York	3,000	.01	3,000	165,233
Midwest Securities Investment Co (3000)				
49. United States Trust Co	2,494X	.01	44,534X	50,840
50. Merrill Lynch & Co Inc<	-	-	-	350,244
Merrill Lynch Pierce Fenner & Sm+ (350244)				
51. Chemical Bank	-	-	-	122,465
52. Detroit Bank & Trust Co	-	-	-	72,725
TOTALS	5,806,061	28.04%	6,171,468	

TOP 5 SHAREHOLDERS VOTE 9.56% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 14.81% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 18.50% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 20.99% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 22.88% OF THE STOCK.

SPECTOR INDUSTRIES INC

1050 Kingery Highway, Bensenville, IL 60106

Incorporated: Delaware
Fortune Rank: 50 T
Assets: $54,185
Total Debt: $24,334
Debt/Asset Ratio: 44.9%
Lease Commitments: $16,379
Number of Employees: 4,400
Operating Revenue: $140,279
Income: $6,782 (a)
Net Income: $3,281
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 30%
Regulation: SEC, ICC

Principal Underwriter(s)

DT (1968)--White, Weld & Co

Legal Counsel(s)

NA

Transportation Subsidiaries

Spector Freight System Inc (MF-CN)

Comments

Corporate Structure: In December 1975 Company acquired Benton-Spry Inc which owns Hennis Freight Lines Inc, the 45th largest Class I motor carrier. Telecom Corp, which has a 15.4% interest in Company, also owns Red Ball Motor Freight, the 48th largest Class I motor carrier. Although no plans are definite, Telecom has considered combining Company's operations with its own.

Business Lines	Percent of Operating Revenue	Percent of Income
Trucking	99%	NA
Trucking Equipment Sales, Printing Services, Computer Services & Other	1	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	1,049,133	1	1,049,133	2,081

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Stanhus, W & Family# (179200)	253,735	24.19	253,735	-
Bergman, Samuel N (45000)				
Friedman, William J (4800)				
Vernon, Cecil (24735)				
2. Telecom Corp	162,000	15.44	162,000	-
3. Benton, M C Jr#	124,401H	11.86	124,401H	-
4. Spry, W D & Family#	67,924H	6.47	67,924H	-
5. Tucker Freight Lines Inc	33,500	3.19	33,500	-
6. Baker, H E	33,250	3.17	33,250	-
7. Lallich, R L#	3,000	.28	3,000	-
8. Minick, E#	2,810	.26	2,810	-
9. Horvitz, Oscar#	2,350	.22	2,350	-
10. Merrill Lynch & Co Inc<	-	-	-	46,291
Merrill Lynch Pierce Fenner & Sm+ (28316)				
Royal Securities Corp Ltd+ (17975)				
11. Bache Halsey Stuart Inc+	-	-	-	21,110
12. Shearson Hayden Stone Inc<	-	-	-	19,378
13. Hutton (E F) & Co Inc+	-	-	-	11,164A
14. Paine Webber Jackson & Curtis Inc+	-	-	-	10,215A
15. Kidder Peabody & Co Inc+	-	-	-	6,300A
16. Thompson Mckinnon Auchincloss Kohlmeyer Inc+	-	-	-	6,090A
17. Dean Witter & Co+	-	-	-	5,190A
18. Pershing & Co Inc+	-	-	-	3,975A
19. Dupont Glore Forgan Inc+	-	-	-	3,958A
20. Harris Upham & Co Inc+	-	-	-	3,700A
21. Becker (A G) & Co Inc+	-	-	-	2,950A
22. Streicher (J) & Co+	-	-	-	2,896A
23. Fahnestock & Co+	-	-	-	2,100A
TOTALS	682,970	65.10%	682,970	

TOP 5 SHAREHOLDERS VOTE 61.15% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 65.10% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 65.10% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 65.10% OF THE STOCK.

STANDARD OIL CO OF CALIFORNIA

225 Bush St., San Francisco, CA 94104

Incorporated: Delaware
Fortune Rank: 6
Assets: $11,639,996
Total Debt: $1,137,572
Debt/Asset Ratio: 9.8%
Lease Commitments: $2,371
Number of Employees: 39,540
Operating Revenue: $17,191,186
Income: NA
Net Income: $970,018
Foreign Operating Revenue: 65.8%
Foreign Income: 66.3%
Income Tax Rate: 7.8%
Regulation: SEC

Principal Underwriter(s)

DT–Blyth Eastman Dillon & Co; Dean Witter & Co

Legal Counsel(s)

Pillsbury, Madison & Sutro, CA: fees for 1974–NA

Transportation Subsidiaries

Chevron Pipe Line Co (PO-CN)

Comments

Corporate Structure: In 1974 and 1975, 83% and 80% respectively of Company's crude oil and natural gas production came from the Eastern Hemisphere, principally Saudi Arabia, Iran, Indonesia and Bahrain. In May 1975 Company acquired approximately 20% of the common stock of AMAX Inc. In December 1975 Company's Venezuelan operations were nationalized. In February 1976 Company and 3 co-venturers agreed to sell their aggregate 40% interest in Aramco to the Saudi Arabian government. Company's other transportation operations include a fleet of 111 ocean-going tankers (of which 34 are owned under foreign flag) with a total deadweight tonnage of 11,919,000.

Joint Ventures: See TEXACO INC.

Major Transactions: In 1975 Company was the 22nd largest defense contractor with over $301 million in revenues from military contracts. See PEOPLES GAS CO and PACIFIC GAS & ELECTRIC CO.

Business Lines	Percent of Operating Revenue	Percent of Income
Petroleum	96.6 %	90.2%
Chemicals	3.4	9.8

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (2-7-75)
Common	169,850,071	1	169,850,071	275,521

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Standard Oil Of Ca Employees Stock Pur Plan (21060 Participants)	11,911,349	7.01	11,911,349	-
2. Rockefeller Family Interests Rockefeller Brothers Fund (260000) Descendants Of John D Jr (3506954) Rockefeller University (90000)	3,856,954	2.27	3,856,954	-
3. Chase Manhattan Bank NA	3,131,000	1.84	3,698,000	-
4. Morgan Guaranty Trust Co	1,975,866	1.16	2,579,358	-
5. Capital Research & Management Co• Investment Co Of America (1000000) American Mutual Fund Inc (150000) Washington Mutual Investors Fund (180000) New Perspective Fund Inc (55000) Capital Fund Of America Inc (115000) American Investment Income Fund (100000) Stock Fund Of America Inc (47000) American Balanced Fund Inc (75000)	1,722,000	1.01	1,722,000	-
6. Bankers Trust Co	1,358,800	.79	2,024,000	-
7. Wells Fargo Bank NA	1,291,894	.76	1,469,907	-
8. Crocker National Bank	1,119,024	.65	13,188,710	-
9. Security Pacific National Bank	809,046	.47	1,030,257	-
10. Bank Of America NTSA	802,343	.47	888,316	-
11. Continental Illinois National Bank & Trust Co	728,147	.42	776,343	-
12. Continental Corp< Firemen'S Insurance Co Of Newark (85412) Kansas City Fire & Marine Insur Co (3066) Pacific Insurance Co (609066) Seaboard Fire & Marine Insurance Co (2810) Tokio Marine & Fire Insurance Co (4200)	704,554	.41	704,554	-
13. Manufacturers Hanover Trust Co	682,634	.40	1,416,077	-
14. Harris Trust & Savings Bank	646,518	.38	897,135	-
15. Lord Abbett & Co• Affiliated Fund Inc (600000)	600,000	.35	600,000	-

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
16. Alleghany Corp< (PT)	600,000	.35	600,000	-
Investors Diversified Services Inc*				
Investors Mutual Inc (600000)				
17. Provident National Bank (Penn)	558,396	.32	619,914	-
18. Chemical Bank	509,550	.29	893,000	-
19. Dreyfus Corp*	491,300	.28	491,300	-
Dreyfus Fund Inc (491300)				
20. Bank Of California NA	473,244	.27	625,977	-
21. Prudential Insurance Co Of America<	455,000	.26	455,000	-
22. Seligman (J & W) & Co Inc+	450,000	.26	450,000	-
Union Service Corp*				
Tri-Continental Corp (300000)				
Broad Street Investing Corp (150000)				
23. Harvard University	393,721F	.23	393,721F	-
24. John Hancock Mutual Life Insurance Co<	389,260	.22	389,260	-
25. Mercantile Trust Co NA (St Louis)	389,034	.22	389,034	-
26. First National City Bank (NY)	383,395	.22	488,761	-
27. Pittsburgh National Bank	359,429	.21	359,429	-
28. Wellington Management Co*	340,000	.20	340,000	-
Wellington Fund Inc (225000)				
Wellesley Income Fund (40000)				
Exeter Fund (75000)				
29. Union National Bank Of Pittsburgh	319,930	.18	352,120	-
30. Continental Investment Corp<	316,000	.18	316,000	-
Waddell & Reed Inc*				
United Accumalative Fund (282000)				
United Vanguard Fund (14000)				
United Continental Income Fund (20000)				
31. Fidelity Management & Research Co*	297,498	.17	297,498	-
Puritan Fund Inc (200000)				
Fidelity Trend Fund Inc (81500)				
Salem Fund Inc (10000)				
Second Congress Street Fund Inc (5998)				
32. International Telephone & Telegraph Corp<	291,332	.17	291,332	-
Hartford Accident & Indemnity Co (87240)				
Hartford Casualty Insurance Co (5950)				
Hartford Fire Insurance Co (59044)				
Hartford Life Insurance Co (5514)				
Pacific Insurance Co Ltd (2100)				
Twin City Fire Insurance Co (1484)				
Hamilton Management Corp*				
Hamilton Funds Inc (130000)				
33. First National Bank Of Minneapolis	280,345	.16	301,221	-
34. United States Trust Co	239,680X	.14	736,458X	-
35. Mellon Bank NA	237,250	.13	369,038	-
36. Stanford University	214,540F	.12	214,540F	-
37. Texas, University Of	210,160	.12	210,160	-
38. Marine Midland Bank-New York	-	-	496,894	-
TOTALS	39,539,184	23.28%	44,932,256	

TOP 5 SHAREHOLDERS VOTE 13.30% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 16.47% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 18.45% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 20.00% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 21.22% OF THE STOCK.

STANDARD OIL CO (INDIANA)

200 E. Randolph Dr., Chicago, IL 60601

Incorporated: Indiana
Fortune Rank: 13
Assets: $8,915,300
Total Debt: $1,597,107
Debt/Asset Ratio: 17.9%
Lease Commitments: $1,319,000
Number of Employees: 47,200
Operating Revenue: $9,217,228
Income: NA
Net Income: $970,226
Foreign Operating Revenue: 19.4%
Foreign Income: 25.1%
Income Tax Rate: 15.2%
Regulation: SEC

Principal Underwriter(s)

DT—Morgan Stanley & Co

Legal Counsel(s)

Kirkland & Ellis, IL: fees for 1975—NA; Hamel, Park, McCabe & Saunders, DC: fees for 1975—NA

Transportation Subsidiaries

Amoco Pipeline Co (PO-CN)

Comments

Corporate Structure: In December 1974 Company's Venezuelan operations were nationalized. Company is currently negotiating for the sale of its Lybian operations to the Lybian National Oil Co. Company's other transportation operations include a fleet of 40 ocean-going tankers (16 owned, of which 11 are under foreign flag, and 24 are chartered) with a total deadweight tonnage of 2,642,000. Company also uses 3,200 railroad tank cars.

Joint Ventures: In 1974 Company entered a joint venture with GULF OIL CORP to develop oil shale production in Colorado. See also NATIONAL FUEL GAS CO and SOUTHERN NATURAL RESOURCES INC.

Major Transactions: Since a 1969 agreement with UNION PACIFIC CORP, Company has held full oil and gas exploration and development rights on 5.9 million acres and partial rights on 4.8 million acres of UNION PACIFIC's land. In 1975 Company was the 50th largest defense contractor with over $112 million in revenues from military contracts. See also KIRBY INDUSTRIES INC.

Legal Proceedings: Company is a co-defendant in 2 antitrust class action suits brought by the States of Connecticut and Kansas, and in a complaint by the FTC charging 8 oil companies with maintaining a non-competitive oil refining market structure.

Payments Disclosure: In March 1976 Company admitted to making $738,700 in questionable foreign payments between 1970-75 as well as a possibly illegal $10,000 domestic political contribution.

Business Lines	Percent of Operating Revenue	Percent of Income
Petroleum	89.2%	90.8%
Chemicals	10.7	10.2
Other	0.1	(1.0)

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Capital	146,964,955	1	146,964,955	163,556

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. First National Bank Of Chicago	13,087,158	8.90	13,460,622	-
Standard Oil Co (Ind) Employee Savings Plan/33038 Participants (11259071)				
2. Prudential Insurance Co Of America< (2008000)	2,102,000	1.43	2,102,000	-
Prudential Property & Casualty (14000)				
Prudential Fund Management Canada Ltd*				
Prudential'S Gibraltar Fund (80000)				
3. Continental Illinois National Bank & Trust Co	1,779,730	1.21	2,123,323	-
4. Rockefeller Family Interests	1,762,652	1.20	1,762,652	-
Rockefeller Foundation (1456000)				
Descendants Of John D Jr (154652)				
Rockefeller University (150000)				
5. Chase Manhattan Bank NA	1,576,000	1.07	3,694,020	-
6. Chemical Bank	1,322,676	.90	1,479,000	-
7. Harris Trust & Savings Bank	1,320,601	.89	1,855,258	-
8. Alleghany Corp< (PT)	1,156,000	.78	1,156,000	-
IDS Life Insurance Co (56000)				
Investors Diversified Services Inc*				
Investors Mutual Inc (600000)				
Investors Stock Fund Inc (500000)				
9. Bank Of America NTSA	934,674	.63	1,001,787	-
10. Seligman (J & W) & Co+	903,600	.61	903,600	-
Union Service Corp*				
Tri-Continental Corp (400000)				
National Investors Corp (303600)				
Broad Street Investing Corp (200000)				

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
11. Metropolitan Life Insurance Co (895000)	901,000	.61	901,000	-
Metropolitan Property & Liabilty (6000)				
12. First National City Bank (NY)	894,996	.60	1,137,468	-
13. National Bank Of Tulsa	850,864	.57	906,830	-
14. Mercantile Trust Co NA (St Louis)	736,528	.50	737,728	-
15. Bankers Trust Co	734,825	.49	1,235,000	-
16. National Bank Of Detroit	731,975	.49	793,627	-
17. Security Pacific National Bank	669,101	.45	758,020	-
18. National City Bank Of Cleveland	462,820	.31	531,835	-
19. New York State Teachers' Retirement System	451,000	.30	451,000	-
20. Wells Fargo Bank NA	443,253	.30	459,021	-
21. Dreyfus Corp*	435,800	.29	435,800	-
Dreyfus Fund Inc (435800)				
22. Provident National Bank (Penn)	425,550	.28	453,005	-
23. California Employees' Retirement System	416,600F	.28	416,600F	-
24. American Fletcher National Bank & Trust Co	405,689	.27	421,266	-
25. John Hancock Mutual Life Insur Co< (388370)	404,370	.27	404,370	-
John Hancock Advisers Inc*				
John Hancock Growth Fund Inc (16000)				
26. Aetna Life & Casualty Co (29000)	373,010	.25	373,010	-
Aetna Variable Annuity Life Insur (89360)				
Aetna Casualty & Surety Co (100000)				
Aetna Casualty & Surety Co Of Ill (200000)				
Aetna Life Insurance Co (127650)				
Aetna Investment Management Inc*				
Aetna Fund (7000)				
27. Mellon Bank NA	372,513	.25	447,961	-
28. Kemper Family Group	352,400	.23	352,400	-
American Manufacturers Mutual Insur (14000)				
Economy Fire & Casualty Co (10000)				
Iowa Kemper Insurance Co (1000)				
Fidelity Life Association (2000)				
Kemper Security Insurance Co (600)				
Lumbermans Mutual Casualty Co (100000)				
National Automobile & Casualty Insur (800)				
Sequoia Insurance Co (2000)				
Supervised Investors Services Inc*				
Technology Fund (180000)				
Supervised Investors Growth Fund (30000)				
Supervised Investors Income Fund (12000)				
29. Merchants Natl Bk & Trust Co Of Indianapolis	324,462	.22	362,992	-
30. Texas Teacher Retirement System	288,700G	.19	288,700G	-
31. Rowe Price (T) & Associates Inc*	287,600	.19	287,600	-
Rowe Price (T) Growth Stock Fund (188600)				
Rowe Price New Era Fund (99000)				
32. Boston Safe Deposit & Trust Co	278,114	.18	335,372	-
33. New York State Common Retirement Fund	278,000	.18	278,000	-
34. Crocker National Bank	268,680	.18	293,219	-
35. Equitable Life Assurance Society Of The US	260,000	.17	260,000	-
36. American Security & Trust Co (DC)	255,930	.17	267,100	-
37. Boatman'S National Bank Of St Louis	230,540	.15	241,406	-
38. New England Merchants National Bank	225,084	.15	495,748	-
39. United States Trust Co	171,539X	.11	468,915X	-
40. Indiana National Bank	-	-	523,118	-
41. Trust Company Bank (Georgia)	-	-	299,000	-
TOTALS	38,876,032	26.45%	45,155,360	

TOP 5 SHAREHOLDERS VOTE 13.82% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 17.65% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 20.46% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 22.33% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 23.75% OF THE STOCK.

SUMMA CORP

Box 309, Las Vegas, NV 89101

Incorporated: Delaware
Number of Employees: 12,000 (approx., 4-76)
Operating Revenue: $400,000 (approx., 12-75)

Principal Underwriter(s)

DT (Hughes Air Corp)—Salomon Brothers

Legal Counsel(s)

Davis & Cox, NY: fees for 1976—NA

Transportation Subsidiaries

Hughes Air Corp (AL)

Control

Howard R. Hughes# (100%)

Comments

A privately-owned company for which no information is available except from published sources.

Corporate Structure: Company was formed in 1972 to serve as the holding company for almost all of Howard Hughes' interests. Besides Hughes Air Corp (ST), Company controls Hughes Helicopters, one of the largest U.S. producers of military and civilian helicopters; 5 hotel-casinos, 1 casino, a television station, aircraft services and airport facilities in Las Vegas; large land holdings in the Las Vegas area; gold and silver mining operations in Nevada; real estate in southern California; a hotel in the Bahamas; and a cable television company and other television interests in New York. Howard Hughes died on April 5, 1976, leaving an estate then estimated to be worth $1.5 billion. Several parties are vying for control of Hughes' holdings, the disposition of which will be decided by the courts.

Major Transactions: In 1975 it was disclosed that the Glomar Explorer, an ocean mining ship built and owned by Company, was actually designed and financed by the CIA to recover a sunken Soviet submarine. See also WALTER KIDDE & CO INC.

Legal Proceedings: In March 1975 the SEC accused Howard Hughes of fraud and manipulation in connection with the 1969 acquisition of Air West, the airline now operated by Hughes Air Corp (ST). The SEC filed a complaint asking that Hughes and 9 others be enjoined from such violations in the future and that they be required to return an estimated $48 million which the SEC claimed were illicit profits resulting from the acquisition. An SEC civil fraud suit against the take-over is pending. A dismissed 1974 federal indictment that had charged Hughes and 3 others with fraudulently manipulating stock in the Air West take-over was also reinstated by a federal appeal court in May 1976.

Payments Disclosure: In 1972 Howard Hughes contributed $100,000 to President Nixon's reelection campaign.

SUN OIL CO

240 Radner-Chester Rd., St. Davids, PA 19087

Incorporated: Pennsylvania
Fortune Rank: 37
Assets: $4,063,278
Total Debt: $749,808
Debt/Asset Ratio: 18.5%
Lease Commitments: $218,100
Number of Employees: 27,707
Operating Revenue: $3,824,904
Income: $815,981 (a)
Net Income: $377,727
Foreign Operating Revenue: 15%

Foreign Income: 25%
Income Tax Rate: 14.9%
Regulation: SEC

Principal Underwriter(s)

DT (1972)—Smith, Barney; Blyth Eastman Dillon & Co

Legal Counsel(s)

Pepper, Hamilton & Scheetz, PA: fees for 1972—NA

Transportation Subsidiaries

Sun Pipe Line Co (PO-CN)

Comments

Corporate Structure: In 1975 Company restructured its operations along functional lines into 16 separate companies, including 4 engaged in oil exploration, production, refining and marketing, and others in gas, oil well services, pipeline transportation, computer and research operations, shipbuilding and repair, coal and geothermal energy development, and a miscellaneous-ventures company. In 1976 it changed its name to Sun Co Inc. In 1975 Company initiated maritime freight transport operations through a new subsidiary, Totem Ocean Trailer Express Inc. Company's shipping fleet also includes 10 tankers with a total deadweight tonnage of 922,000. In 1975 Company acquired St Johnsbury Trucking Co, a Class I motor carrier with 1974 operating revenues of almost $57 million. In December 1975 Company's Venezuelan operations were nationalized.

Joint Ventures: See PHILLIPS PETROLEUM CO.

Major Transactions: See INTERPROVINCIAL PIPE LINE LTD.

Payments Disclosure: In 1975 Company disclosed payments of $96,250 made by a subsidiary to Canadian political parties over the last 5 years, and will soon determine whether illegal political contributions were made in the United States. In August 1976 Company disclosed another $2,000 in questionable foreign payments.

Business Lines	Percent of Operating Revenue	Percent of Income
Oil & Natural Gas	95.4%	99.6%
Oil Sands, Shale, Coal, Geothermal Energy	1.6	1.4
Shipbuilding & Repair, Maritime Transp.	1.4	0.6
Real Estate, Cable TV, Plastics, Video & Audio Tape, Corp. & Surveying Serv.	1.6	(1.7)

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (2-24-75)
Common	41,078,158	1	41,078,158	48,086
$2.25 CU CV Pfd.	16,242,058	¼	4,060,515	78,217
Total Votes Outstanding			45,138,673	

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Pew Family Interests#	16,492,417	36.54	16,492,417	-
Pew, Walter C (1709908)				
Pew Memorial Trust (8135185)				
Glenmede Trust Co (6647324)				
2. Philadelphia National Bank	2,503,524	5.55	2,517,075	-
Sun Oil Employees' Stock Pur & Savings Plan/149535 Pcts (2478489)				
3. INA Corp<	203,270	.45	203,270	-
Insurance Co Of North America (199195)				
INA Life Insurance Co Of NY (1075)				
Life Insurance Co Of North America (3000)				
4. Dreyfus Corp*	109,720	.24	109,720	-
Dreyfus Fund Inc (109720)				
5. Provident National Bank (Penn)	78,691	.17	96,071	-
6. First Pennsylvania Bank NA	23,644	.05	124,266	-
7. Chase Manhattan Bank NA	6,000	.01	2,216,000	-
TOTALS	19,417,264	43.02%	21,758,816	

TOP 5 SHAREHOLDERS VOTE 42.95% OF THE STOCK.

TENNECO INC

Tenneco Bldg., Houston, TX 77001

Incorporated: Delaware
Fortune Rank: 24
Assets: $6,401,557
Total Debt: $2,810,675
Debt/Asset Ratio: 43.9%
Lease Commitments: $242,000
Number of Employees: 81,000
Operating Revenue: $5,063,604
Income: $791,787 (a)
Net Income: $321,468
Foreign Operating Revenue: NA
Foreign Income: NA
Income Tax Rate: 42.6%
Regulation: SEC, FPC

Principal Underwriter(s)

S (1970)–Stone & Webster Securities Corp; White, Weld & Co; Paine, Webber. DT–Morgan Stanley & Co; White, Weld & Co

Legal Counsel(s)

Baker & Botts (Gen. Couns.), TX: fees for 1974–$463; Littman, Richter, Wright & Talisman, DC: fees for 1974–$258; Hendrick & Lane, DC: fees for 1974–$109; Seyfarth, Shaw, Fairweather & Geraldson, IL: fees for 1974–$106

Transportation Subsidiaries

MIDWESTERN GAS TRANSMISSION CO (PG-CN)
Tennessee Gas Pipeline Co (div.) (PG-CN)

Comments

Corporate Structure: Company has a 24% interest in Philadelphia Life Insurance Co. Company had a 40% interest in Houston National Bank before the bank was merged in April 1975 into Republic of Texas Corp, a bank holding company. Company now has a 5.5% interest in the holding company. In February 1976 Company announced a merger plan with Anaconda Co but terminated the agreement when it was successfully challenged by ATLANTIC RICHFIELD CO. In December 1976 Company filed for FPC authorization to build a new 498-mile pipeline in the Northeastern United States. The pipeline will transport Algerian gas unloaded in eastern Canada from the Maine-Canadian border to the Tennessee Gas Pipeline Co (ST) system.

Joint Ventures: Company is a member of the Polar Gas Project (see TRANSCANADA PIPELINES LTD). Company is a member of the Illinois Coal Gassification Group which was selected in 1976 to build a federally-funded $275 million coal gassification demonstration plant. Company is a member of COGAS (see CONSOLIDATED NATURAL GAS CO).

Major Transactions: Tennessee Gas Pipeline Co (ST) sells approximately 42% of its natural gas to COLUMBIA GAS SYSTEM INC, CONSOLIDATED NATURAL GAS CO and NATIONAL FUEL GAS CO. See also MIDWESTERN GAS TRANSMISSION CO. Company supplies half of the gas consumed in Maine, New Hampshire and Massachusetts, and about a quarter of the gas consumed in New York and Pennsylvania (see EASTERN GAS & FUEL ASSOCIATES, PUBLIC SERVICE ELECTRIC & GAS CO, TEXAS GAS TRANSMISSION CORP and EQUITABLE GAS CO). In March 1977 Company disclosed that it may have failed to meet all federal regulatory requirements when, in 1965, it began diverting to intrastate customers about 350 billion cubic feet of natural gas which were earmarked for interstate sales. Company later stated that these transfers were not "improper," had nothing to do with the winter 1976 gas shortage, and was not an attempt to withhold gas from the interstate market. In October 1976 Company signed a 20-year agreement to purchase 200 billion cubic feet of liquified natural gas from the Algerian state-owned oil company. Company is jointly building with TEXAS EASTERN TRANSMISSION CORP a terminal in New Jersey to receive the LNG. In 1975 Company was the 28th largest defense contractor with almost $242 million in revenues from military contracts. In June 1976 Adm. H.G. Rickover charged that Company's shipbuilding subsidiary was deliberately and substantially overstating its claims against the Navy for work on nuclear-powered ships and submarines. According to Rickover, the settlement of these claims would be "one of the biggest ripoffs in the history of the United States." In August 1976 Company announced a settlement for one of its claims, but no details were disclosed. Company's shipbuilding subsidiary also has a $297.7 million contract to build 3 liquified natural gas tankers for El Paso Natural Gas Co (ST). In November 1976 a Company subsidiary contracted with the State of Alaska to buy 1.3 trillion cubic feet of gas over a 20-year period. This represents 35% of the

State's royalty reserves from the Alaskan North Slope.

Payments Disclosure: In February 1976 Company disclosed "sensitive" payments to foreign agents totalling $9 million between 1970-75 and an additional $500,000 paid to the military in a foreign country for employee protection. Company maintained a fund for domestic political contributions from which $180,000 in legal contributions were made in California. It also made cash payments to state public utility regulators and to a Louisiana judge who decided a labor case involving it.

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	73,597,362	1	73,597,362	238,275
2nd Pfd.	437,529	1	437,529	6,247
Pref.	2,812,729	1	2,812,729	17,627
Total Votes Outstanding			76,847,620	

Business Lines

		Percent of Operating Revenue	Percent of Income
Manufacturing:	construction & farm equip.	21.5%	13.0%
	automotive parts	4.5	4.5
	shipbuilding & ind. equip.	9.7	1.4
Natural Gas Pipelines		18.4	29.6
Petroleum		28.7	38.0
Chemicals		7.5	6.6
Packaging Materials		7.2	6.7
Agriculture & Land Development		4.0	2.2
Investments (Banking, Life Insur., Other)		0.4	(2.0)
Intergroup Sales		(1.9)	–

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power		Total Managed Holdings	Management Powers Not Identified
	Number of Votes	Percent Total Votes		
1. Houston National Bank	4,098,512	5.33	4,190,855	-
Tenneco Inc Thft Pl/21495 Pcts (3731899)				
2. Stone & Webster Inc<	1,054,816	1.37	1,054,816	-
3. Fidelity Management & Research Co*	897,700	1.17	897,700	-
Puritan Fund Inc (400000)				
Fidelity Fund Inc (448800)				
Congress Street Fund Inc (14900)				
Everest Fund Inc (17300)				
Second Congress Street Fund Inc (16700)				
4. Travelers Corp<	690,200	.89	690,200	-
Charter Oak Fire Insurance Co (13500)				
Phoenix Insurance Co (130200)				
Travelers Indemnity Co (257500)				
Travelers Indemnity Of Rhode Island (11400)				
Travelers Insurance Co (277600)				
5. Washington National Corp<	593,000	.77	593,000	-
Anchor Corp*				
Anchor Growth Fund Inc (280000)				
Fundamental Investors Inc (300000)				
Washington National Fund Inc (13000)				
6. Chemical Bank	588,779	.76	676,000	-
7. Bank Of America NTSA	489,666	.63	547,093	-
8. Gates Rubber Co< (PT)	324,800	.42	324,800	-
Financial Programs Inc*				
Financial Industrial Fund Inc (200000)				
Financial Industrial Income Fund (124800)				
9. Delaware Management Co Inc*	290,500	.37	290,500	-
Delaware Fund Inc (90500)				
Decatur Income Fund Inc (200000)				
10. Capital Research & Management Co*	288,000	.37	288,000	-
Investment Co Of America (210000)				
Washington Mutual Investors Fund (60000)				
Income Fund Of America (18000)				
11. Dreyfus Corp*	271,800	.35	271,800	-
Dreyfus Fund Inc (271800)				
12. First National Bank In Dallas	271,629	.35	289,060	-
13. Wells Fargo Bank NA	258,012	.33	267,569	-
14. International Telephone & Telegraph Corp<	250,000	.32	250,000	-
Hamilton Management Corp*				
Hamilton Funds Inc (200000)				
Hamilton Income Fund Inc (500000)				
15. Connecticut General Insurance Corp	225,600	.29	225,600	-
16. Security Pacific National Bank	225,027	.29	262,905	-
17. Oppenheimer & Co+	200,000	.26	200,000	-
Oppenheimer Management Corp*				
Oppenheimer Fund Inc (200000)				
18. Seligman (J & W) & Co+	189,600	.24	189,600	-
Union Service Corp*				
Broad Street Investing Corp (174600)				
Union Income Fund Inc (15000)				

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
19. Chubb Corp<	160,000	.20	160,000	-
Alliance Assurance Co Ltd (30000)				
Federal Insurance Co (92000)				
Great Northern Insurance Co (5000)				
Pacific Indemnity Co (21200)				
Vigilant Insurance Co (11800)				
20. Boatman'S National Bank Of St Louis	159,473	.20	166,671	-
21. Rhode Island Hospital Trust National Bank	154,242	.20	157,427	-
22. First Pennsylvania Bank NA	151,186	.19	220,018	-
23. National Securities & Research Corp*	150,000	.19	150,000	-
National Securities Fd-Stock Fd (150000)				
24. Lincoln National Corp<	147,035	.19	147,035	-
Lincoln National Life Insurance Co (147035)				
25. Bankers Trust Co	73,597	.09	276,000	309,600
26. Chase Manhattan Bank NA	38,000	.04	242,000	-
27. Crocker National Bank	32,742	.04	159,244	-
28. United States Trust Co	24,232X	.03	159,861X	-
29. First National City Bank (NY)	16,816	.02	157,365	-
30. Morgan Guaranty Trust Co	-	-	165,410	-
31. Merrill Lynch & Co Inc<	-	-	-	1,178,368
Merrill Lynch Pierce Fenner & Sm+ (1178368)				
TOTALS	12,314,964	16.03%	13,670,529	

TOP 5 SHAREHOLDERS VOTE 9.54% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 12.12% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 13.78% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 15.00% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 15.88% OF THE STOCK.

TEXACO INC

135 E. 42nd St., New York, NY 10017

Incorporated: Delaware
Fortune Rank: 4
Assets: $17,176,121
Total Debt: $2,531,371
Debt/Asset Ratio: 14.7%
Lease Commitments: $3,089,759
Number of Employees: 76,420
Operating Revenue: $23,255,497
Income: NA
Net Income: $1,586,441
Foreign Operating Revenue: NA
Foreign Income: 71.4%
Income Tax Rate: 3.1%
Regulation: SEC

Principal Underwriter(s)

DT–Morgan Stanley & Co

Legal Counsel(s)

NA

Transportation Subsidiaries

Texas Pipe Line Co (PO-CN)

Comments

Corporate Structure: In December 1975 the government of Venezuela nationalized all of Company's operations in that country. The nationalization of Company's Lybian assets is under international arbitration. In January 1976 the government of Trinidad announced its intention to acquire a majority interest in Company's Trinidadian facilities, which include Company's largest foreign refinery. In February 1976 Company and its 3 coventurers agreed to sell their aggregate 40% interest in Aramco to the Saudi Arabian government. Company's other transportation operations include a fleet of 205 ocean-going tankers (of which 55 are under foreign flags) with a total deadweight tonnage of 19,516,552.

Changes in Corporate Control: As of October 1975 Superior Oil Co had reduced its holdings in Company to approximately 1 million shares.

Joint Ventures: Company and STANDARD OIL CO OF CALIFORNIA jointly own the Caltex Group, with 1975 operating revenues of over $10 billion. Company is a participant in Loop Inc (see MARATHON OIL CO).

Major Transactions: In 1975 Company was the 31st largest defense contractor with almost $227 million in revenues from military contracts. See also AMERICAN AIRLINES INC.

Business Lines	Percent of Operating Revenue	Percent of Income
Petroleum, Natural Gas & Other	NA	95.1%
Petrochemicals	NA	6.6
Miscellaneous	NA	(1.8)

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Capital	271,704,080	1	271,704,080	340,520

TEXACO INC

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Manufacturers Hanover Trust Co	10,975,602	4.04	11,762,983	-
Texaco Emps Savings Pls/22775 Pcts (8811250)				
2. Continental Illinois National Bank & Trust Co	5,061,809	1.86	5,561,293	-
3. Superior Oil Co	3,700,000D	1.36	3,700,000D	-
4. Morgan Guaranty Trust Co	3,684,792	1.36	5,508,938	-
Texaco Emps Savings Pl (72651)				
5. First National City Bank (NY)	3,086,614	1.14	3,488,851	-
6. Norris, Lester & Family	2,271,000X	.83	2,271,000X	-
7. Capital Research & Management Co*	2,168,010	.79	2,168,010	-
Investment Co Of America (1270000)				
American Mutual Fund Inc (300000)				
Washington Mutual Investors Fund (390000)				
New Perspective Fund Inc (117000)				
Income Fund Of America Inc (60000)				
American Balanced Fund Inc (25000)				
Endowments Inc (6018)				
8. National Bank Of Detroit	2,007,665	.73	2,306,083	-
9. Prudential Insurance Co Of America< (1751000)	1,801,000	.66	1,801,000	-
Prudential Fund Management Canada Ltd*				
Prudential'S Gibraltar Fund (50000)				
10. Bankers Trust Co	1,630,224	.59	2,282,000	-
11. First National Bank Of Boston	1,599,000	.58	1,713,600	-
12. Alleghany Corp< (PT)	1,550,000	.57	1,550,000	-
Investors Diversified Services Inc*				
Investors Mutual Inc (1000000)				
Investors Stock Fund Inc (500000)				
Investors Syndicate Of America (50000)				
13. First National Bank Of Chicago	1,181,782	.43	1,577,730	-
14. Continental Corp<	1,149,158	.42	1,149,158	-
Buckeye Union Insurance Co (26000)				
Commercial Insurance Co Of Newark (18234)				
Fidelity & Casualty Co Of New York (100000)				
Firemen'S Insurance Co Of Newark (83350)				
First Insurance Of Hawaii Ltd (11440)				
Kansas City Fire & Marine Insur Co (4452)				
National-Ben Franklin Life Insur Co (128500				
National Reinsurance Corp (22500)				
Pacific Insurance Co (750752)				
Seaboard Fire & Marine Insurance Co (1680)				
Tokio Marine & Fire Insurance Co (2200)				
15. Pittsburgh National Bank	1,061,136	.39	1,108,227	-
16. Lord Abbett & Co Inc*	1,030,420	.37	1,030,420	-
Affiliated Fund Inc (1000420)				
American Business Shares Inc (30000)				
17. Chase Manhattan Bank NA	964,000	.35	1,651,000	-
18. Massachusetts Financial Services Inc*	931,600	.34	931,600	-
Massachusetts Investors Trust (656600)				
Mass Income Development Fund Inc (225000)				
Mass Financial Development Fd Inc (50000)				
19. Phipps, Ogden & Family Interests#	894,071	.32	894,071	-
20. International Telephone & Telegraph Corp<	879,800	.32	879,800	-
Hartford Accident & Indemnity Co (226600)				
Hartford Casualty Insurance Co (5000)				
Hartford Fire Insurance Co (282400)				
Hartford Life Insurance Co (24500)				
Hartford Life & Accident Insurance (3000)				
Hartford Variable Annuity Life Insur (2500)				
New York Underwriters Life Insur Co (40000)				
Twin City Fire Insurance Co (5800)				
Hamilton Management Corp*				
Hamilton Funds Inc (250000)				
Hamilton Income Fund Inc (40000)				
21. Boston Safe Deposit & Trust Co	876,585	.32	988,901	-
22. Harvard University	861,116B	.31	861,116B	-
23. Union National Bank Of Pittsburgh	844,904	.31	996,664	-
24. Hartford National Bank & Trust Co	816,851	.30	834,996	-
25. Mercantile Trust Co NA (St Louis)	809,832	.29	809,832	-
26. New York State Teachers' Retirement System	742,040	.27	742,040	-
27. Barber Oil Corp	663,638	.24	663,638	-

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
28. Bank Of America NTSA	626,987	.23	700,355	-
29. Mellon Bank NA	587,874	.21	659,121	-
30. Rhode Island Hospital Trust National Bank	552,602	.20	562,433	-
31. Chemical Bank	543,408	.19	874,000	-
32. United States Trust Co	533,370X	.19	2,543,180X	-
33. Security Pacific National Bank	525,809	.19	795,618	-
34. New England Merchants National Bank	504,287	.18	1,097,518	-
35. Equitable Life Assurance Society Of The US	492,500	.18	492,500	-
36. Republic National Bank Of Dallas	482,446	.17	482,446	-
37. Boatman'S National Bank Of St Louis	464,048	.17	473,280	-
38. Ford Foundation	400,000C	.14	400,000C	-
39. Marine Midland Bank-NY	-	-	770,029	-
TOTALS	58,955,968	21.70%	69,083,424	

TOP 5 SHAREHOLDERS VOTE 9.76% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 13.39% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 15.80% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 17.53% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 19.08% OF THE STOCK.

TEXAS EASTERN TRANSMISSION CORP

P.O. Box 2521, Houston, TX 77001

Incorporated: Delaware
Fortune Rank: 23 U
Assets: $2,438,409
Total Debt: $1,236,825
Debt/Asset Ratio: 50.7%
Lease Commitments: None
Number of Employees: 4,924
Operating Revenue: $1,064,946
Income: $256,182 (b)
Net Income: $95,100
Foreign Operating Revenue: NA
Foreign Income: NA
Income Tax Rate: 35.5%
Regulation: SEC, ICC, FPC

Principal Underwriter(s)

S & DT–Dillon, Read & Co

Legal Counsel(s)

Vinson, Elkins, Searls, Connally & Smith, TX: fees for 1974–$585; LeBoeuf, Lamb, Leiby & MacRae, NY: fees for 1974–$196

Transportation Subsidiaries

Texas Eastern Transmission Corp Products Pipeline System (PO-CN)
Transwestern Pipeline Co (PG-CN)

Comments

Corporate Structure: In August 1976 Company implemented a corporate restructuring plan to establish a holding company, Texas Eastern Corp, with Company as its subsidiary.

Capital Structure: In June 1975 Company issued 2,400,000 new shares of cumulative preferred stock.

Joint Ventures: Company is a participant in the Alaskan Arctic Gas Pipeline Co and the Northern Border Pipeline Co (see NORTHERN NATURAL GAS CO). Company is a member of the Polar Gas Project (see TRANSCANADA PIPELINES LTD). Transwestern Pipeline Co (ST) and Pacific Lighting Corp have jointly filed an application with the FPC to build and operate a coal gassification plan plant. See also EASTERN GAS & FUEL ASSOCIATES and TENNECO INC.

Major Transactions: Company sells approximately 55% of its gas to ALGONGUIN GAS TRANSMISSION CO (for which it is the sole supplier) and subsidiaries of CONSOLIDATED NATURAL GAS CO and COLUMBIA GAS SYSTEM INC. All of Transwestern Pipeline Co's (ST) sales are made under long-term contracts with Pacific Lighting Corp and Cities Service Gas Co (ST). Company is also a major supplier for EQUITABLE GAS CO, NATIONAL FUEL GAS CO, and PUBLIC SERVICE ELECTRIC & GAS CO.

Legal Proceedings: According to an October 1976 ruling by the FMC, GULF OIL CORP may have to pay Company as much as $90 million for failing to meet its gas supply contract to Company since 1973. This is the first case of a punitive ruling by the FMC against a natural gas producer for failure to meet contracted gas deliveries. GULF is appealing the ruling.

Business Lines	Percent of Operating Revenue	Percent of Income
Natural Gas	69.9%	70.4%
Petroleum Manufacturing & Marketing	15.7	10.9
Petroleum Products Pipeline	4.6	9.7
Real Estate & Other	9.8	9.0

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	24,396,705	1	24,396,705	56,350

TEXAS EASTERN TRANSMISSION CORP

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Metropolitan Life Insurance Co (842300)	852,800	3.50	852,800	-
Metropolitan Property & Liability (105000)				
2. Brown Family Interests#	729,456	2.99	729,456	-
Brown, George R (350000)				
Brown Foundation (370456)				
Frensley, Herbert J (9000)				
3. Mellon Bank NA	625,336	2.56	646,886	3,752
4. First National Bank Of Shreveport	615,972E	2.52	615,972E	-
Texas Eastern Transmission Emps Stock Pur Plan/2735 Participants (615972E)				
5. Chemical Bank	512,331	2.10	715,000	64,133
6. Alleghany Corp< (PT)	450,000	1.84	450,000	-
Investors Diversified Services Inc•				
Investors Stock Fund (450000)				
7. Dreyfus Corp•	449,000	1.84	449,000	-
Dreyfus Fund (449000)				
8. Ohio State Teachers Retirement Board	360,000	1.48	360,000	-
9. New England Merchants National Bank	273,861	1.12	334,026	39,031
10. First National Bank Of Denver	243,293	.99	245,893	-
11. Lynch, John F#	214,226	.87	214,226	-
12. Rhode Island Hospital Trust National Bank	155,302	.63	155,302	28,013
13. Smith, William A	140,800	.57	140,800	-
14. Security Pacific National Bank	128,515	.52	129,575	980
15. Robeco• (Netherlands)	125,000	.51	125,000	-
Rolinco (125000)				
16. Wells Fargo Bank NA	123,030	.50	125,556	-
17. United States Fidelity & Guaranty Co	115,800	.47	115,800	-
18. Riggs National Bank	93,660	.38	107,130	-
19. Travelers Corp<	93,000	.38	93,000	-
Massachusetts Company Inc•				
Freedom Fund (23000)				
Massachusetts Fund (70000)				
20. First City National Bank Of Houston	87,019	.35	92,101	14,043
21. United States Trust Co	81,000X	.33	177,151X	-
22. Crum & Foster<	75,000	.30	75,000	-
International Insurance Co (2000)				
North River Insurance Co (17000)				
United States Fire Insurance Co (40000)				
Westchester Fire Insurance Co (16000)				
23. Continental Investment Corp<	72,200	.29	72,200	-
John P Chase Inc•				
Chase Special Fund (17200)				
Shareholders Trust Fund Of Boston (40000)				
I T F Fund N V (15000)				
24. Northwestern Mutual Life Insurance Co	70,000	.28	70,000	-
25. Teachers Insur & Annuity Assn Of America	70,000	.28	70,000	-
26. Rockefeller Family Interests	60,000	.24	60,000	-
Rockefeller University (60000)				
27. First National Bank Of Minneapolis	56,015	.22	64,951	-
28. Tyndall Managers Ltd• (England)	56,000C	.22	56,000C	-
Tyndall Capital Fund (47000C)				
Tyndall Overseas Fund (9000C)				
29. Sperry & Hutchinson Co<	51,582	.21	51,582	-
State National Bank Of Connecticut (51582)				
30. Commerce Bank Of Kansas City NA	49,420	.20	50,020	-
31. American National Bank & Trust Of New Jersey	48,216	.19	48,216	-
32. Walter E Heller Financial Corp<	46,935	.19	48,385	-
American Natl Bk & Tr Co Of Chicago (48385)				
33. Stanford University	45,900F	.18	45,900F	-
34. National Central Bank (Lancaster, Penn)	44,934	.18	50,474	-
35. First National Bank Of Chicago	38,600	.15	68,950	150,750
36. First National City Bank (NY)	2,506	.01	43,106	278,093
37. Chase Manhattan Bank NA	-	-	219,000	209,526
38. Morgan Guaranty Trust Co	-	-	13,100	480,493
39. Bankers Trust Co	-	-	-	946,844
40. Harriman Family Group	-	-	-	368,610
Brown Brothers Harriman & Co (368610)				
41. Fiduciary Trust Co Of New York	-	-	-	358,947
42. Merrill Lynch & Co Inc<	-	-	-	158,080
Merrill Lynch Pierce Fenner & Sm+ (158080)				

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
43. Bank Of New York	-	-	-	143,771
44. Manufacturers Hanover Trust Co	-	-	-	124,998
45. Bank Of Montreal	-	-	-	105,980
46. State Street Bank & Trust Co	-	-	-	56,086
TOTALS	7,256,709	29.74%	7,981,558	

TOP 5 SHAREHOLDERS VOTE 13.67% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 20.95% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 24.08% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 26.19% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 27.69% OF THE STOCK.

TEXAS GAS TRANSMISSION CORP

3800 Frederica St., Owensboro, KY 42301

Incorporated: Delaware
Fortune Rank: –
Assets: $863,891
Total Debt: $391,163
Debt/Asset Ratio: 45.3%
Lease Commitments: Insignificant
Number of Employees: 8,200
Operating Revenue: $692,556
Income: $80,171 (b)
Net Income: $44,572
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 44.4%
Regulation: SEC, FPC, ICC (American Commercial Barge Line Co)

Principal Underwriter(s)

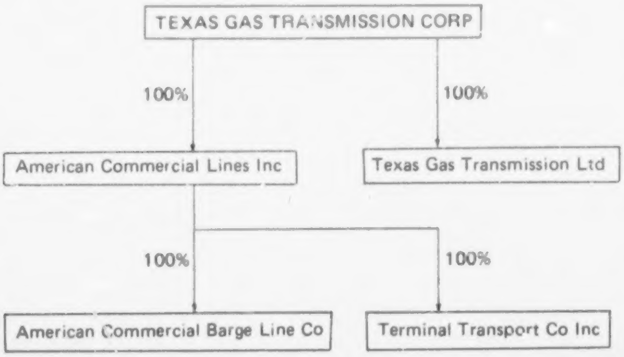
S & DT–Dillon, Read & Co

Legal Counsel(s)

Gallagher, Connor & Boland, DC: fees for 1974–$203; Sandidge, Holbrook & Craig, KY: fees for 1974–$105; Cahill, Gordon & Reindel, NY: fees for 1974–$69; Vinson, Elkins, Searls, Connally & Smith, TX: fees for 1974–$59

Transportation Subsidiaries

American Commercial Barge Line Co (WC-CN)
Terminal Transport Co Inc (MF-CN)
Texas Gas Transmission Ltd (PG-CN)


TEXAS GAS TRANSMISSION CORP
100%
100%
American Commercial Lines Inc
Texas Gas Transmission Ltd
100%
100%
American Commercial Barge Line Co
Terminal Transport Co Inc

Comments

Corporate Structure: In 1975 Company acquired All American Transport Inc, the 56th largest Class I motor carrier and a leading midwestern trucker with 1975 operating revenues of over $95 million.

Joint Ventures: American Commercial Barge Line Co (ST) is engaged in a rail-barge transportation joint venture with BURLINGTON NORTHERN INC to transport western coal to southern utilities. Company, Michigan Wisconsin Pipe Line Co (ST), Natural Gas Pipeline Co of America (ST), UNITED GAS PIPE LINE CO, and TRANSCO COS INC have formed a joint venture, High Island Offshore System, to build a 200-mile offshore pipeline in the Gulf of Mexico. The project was approved by the FMC in July 1976. Company is planning a major coal gassification project with the Commonwealth of Kentucky. In 1971 Company acquired coal reserves which, together with an equal amount of reserves owned by a partner, could produce 3.4 trillion cubic feet of gas.

Major Transactions: In 1975 Company purchased 24% of its natural gas from UNITED GAS PIPE LINE CO, TEXAS EASTERN TRANS TRANSMISSION CO and TENNECO INC. Company sells approximately 45% of its natural gas to TEXAS EASTERN TRANSMISSION CORP, Columbia Gas Transmission Corp (ST), Consolidated Gas Supply Corp (ST) and Michigan Wisconsin Pipe Line Co (ST). The transportation of autos and trucks for the 4 big auto manufacturers accounts for approximately half of Company's trucking revenues.

Business Lines	Percent of Operating Revenue	Percent of Income
Natural Gas Pipeline	50%	49%
Trucking	21	4
Inland Waterways Transportation	18	27
Oil & Natural Gas Exploration & Prod.	11	20

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	8,719,341	1	8,719,341	17,769
$1.50 CV Pref.	765,563	1	765,563	3,527
Total Votes Outstanding			9,484,904	

TEXAS GAS TRANSMISSON CORP

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Ohio State Teachers Retirement System	301,800	3.18	301,800	-
2. Liberty Natl Bank & Trust Co (Louisville, Ky)	258,278	2.72	258,278	16,277
Texas Gas Transmission Corp Thrift Plan/ Investment Committee (258278)				
3. Capital Research & Management Co*	183,100	1.93	183,100	-
American Mutual Fund Inc (135000)				
American Investment Income Fd Inc (40000)				
Endowments Inc (8100)				
4. International Telephone & Telegraph Corp<	180,000	1.90	180,000	-
Hamilton Management Corp*				
Hamilton Funds Inc (140000)				
Hamilton Income Fund Inc (40000)				
5. Dreyfus Corp*	151,800	1.60	151,800	-
Dreyfus Fund Inc (151800)				
6. Pittsburgh National Bank	141,300	1.49	151,200	-
7. Sears Roebuck & Co Empls Profit Sharing Fund	128,500	1.35	128,500	-
8. Delaware Management Co*	120,000	1.27	120,000	-
Decatur Income Fund Inc (120000)				
9. American Express Co<	110,000	1.16	110,000	-
Fireman'S Fund American Life Insur (30000)				
Fireman'S Fund Insurance Co (80000)				
10. Security Pacific National Bank	107,369	1.13	121,458	-
11. Rhode Island Hospital Trust National Bank	100,240	1.06	101,090	-
12. Fidelity Research & Management Co*	78,000	.82	78,000	-
Puritan Fund Inc (78000)				
13. Hersey Family Interests#	74,724	.78	74,724	-
Hersey, J W (73724)				
Hersey Foundation (1000)				
14. Continental Investment Corp<	56,500	.59	56,500	-
John P Chase Inc*				
Income & Capital Shares Inc (19000)				
Waddell & Reed Inc*				
United Income Fund (37500)				
15. Hillman Family Interests#	50,000	.52	50,000	-
Hillman Foundation Inc (50000)				
16. Stanford University	45,900B	.48	45,900B	-
17. First National Bank & Trust Co (Lincoln, Neb)	43,827	.46	43,827	-
18. Butcher, E D#	40,875	.43	40,875	-
19. Royal Trust Co (Canada)	40,000	.42	40,000	-
Royal Trust Managed Fund A (15000)				
Royal Tr Pld Pn Can & For Common (25000)				
20. New York City Teachers' Retirement System	39,358	.41	39,358	-
21. Iowa-Des Moines National Bank	34,613	.36	34,613	-
22. Canada Life Assurance Co	33,900	.35	33,900	-
23. Bank Of America NTSA	25,152	.26	25,971	-
24. Jefferson-Pilot Corp<	25,000	.26	25,000	-
Jefferson Standard Life Insurance (25000)				
25. Axe (E W) & Co Inc*	25,000	.26	25,000	-
Axe-Houghton Fund A Inc (10000)				
Axe-Houghton Fund B Inc (15000)				
26. United States Trust Co	22,550X	.23	94,569X	-
27. Chase Manhattan Bank NA	22,000	.23	22,000	19,780
28. Blaske, Floyde H#	18,642	.19	18,642	-
29. Third National Bank & Trust Co (Dayton, Ohio)	15,526	.16	15,726	-
30. Mellon Family Interests	15,000	.15	15,000	-
Mellon (Andrew W) Foundation (15000)				
31. Texas Commerce Bank NA	12,553	.13	33,479	-
32. Simmons College	11,050	.11	11,050	-
33. Cleveland Trust Co	-	-	-	174,100
34. Firestone Bank (Akron, Ohio)	-	-	-	113,000
TOTALS	2,512,557	26.49%	2,631,360	

TOP 5 SHAREHOLDERS VOTE 11.33% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 17.73% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 21.52% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 23.74% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 25.25% OF THE STOCK.

THOMAS NATIONWIDE TRANSPORT LTD

12-18 Burrows Rd., St. Peters, N.S.W. 2044, Australia

Incorporated: Australia
Fortune Rank: –
Assets: $153,832
Total Debt: $59,610
Debt/Asset Ratio: 38.8%
Lease Commitments: NA
Number of Employees: 20,000 (4-76)
Operating Revenue: $292,262
Income: $29,534 (a)
Net Income: $9,007
Foreign Operating Revenue: –
Foreign Income: –
Income Tax Rate: –
Regulation: None

Principal Underwriter(s) – NA

Legal Counsel(s)

Allen, Allen & Hemsley, Australia: fees for 1974–NA; Davis King & Co, Australia: fees for 1974–NA; Arthur T. George & Co, Australia: fees for 1974–NA

Transportation Subsidiaries

Acme Fast Freight Inc (FF-CN)

Control

Company's stock is not traded in the United States. No stock ownership information available.

Comments

Corporate Structure: Company is Australia's largest transport operator. In July 1976 a federal judge ruled that the operating rights of bankrupt REA Express Inc should be sold to Company's major U.S. subsidiary, Alltrans Express USA. The ruling was opposed by REA's former employees who had organized as Reamco Inc to purchase the rights. The ICC has postponed approval of the sale due to opposition from 12 other carriers and the American Trucking Association, who want REA's operating authority dissolved.

Joint Ventures: See SHULMAN TRANSPORT ENTERPRISES INC.

Business Lines	Percent of Operating Revenue	Percent of Income
Transportation	98.5%	NA
Interest Received	0.3	
Investments	0.3	
Equity Earnings	0.9	

NOTE: All financial data listed above in Australian $ and as of 6-30-75.

Stock Structure

Class	Shares Outstanding (6-30-75)	Votes per Share	Total Votes per Class	Stockholders of Record (11-3-75)
Ordinary	52,337,595	1	52,337,595	7,856

TIGER INTERNATIONAL INC

7401 World Way West, Los Angeles, CA 90009

Incorporated: Delaware
Fortune Rank: 31 T
Assets: $1,112,575
Total Debt: $708,223
Debt/Asset Ratio: 63.7%
Lease Commitments: $330,842
Number of Employees: 4,269
Operating Revenue: $337,953
Income: $23,390 (b)
Net Income: $15,021
Foreign Operating Revenue: 4.7%
Foreign Income: 13.7%
Income Tax Rate: 22.1%
Regulation: SEC

Principal Underwriter(s)

S (1971)–Dominick & Dominick

Legal Counsel(s)

White & Case (General Counsel), NY: fees for 1974–NA

Transportation Subsidiaries

Flying Tiger Line Inc (AL-CN)

Comments

Corporate Structure: Company's leasing operations include North American Car Corp, which has the third largest fleet of privately-owned specialized railroad cars in the world and operates in the United States, Canada, Europe and Mexico.

Major Transactions: In 1975 approximately 18% of Company's airline business consisted of services for the Military Airlift Command and the U.S. Postal Service. Company's top 11 air freight customers accounted for 47% of revenues in Company's domestic airline operations, including UNITED PARCEL SERVICE INC which accounted for 19%.

Legal Proceedings: In January 1976 Flying Tiger Line Inc (ST) pleaded no contest to and was fined for having illegally lowered its air transportation rates for certain customers. Company admitted that this practice, in addition to the payment of excessive commissions to its air freight agents, had been in effect since 1970, averaging 3.8% of international freight revenues over the 5-year period.

Business Lines	Percent of Operating Revenue	Percent of Income
Airline: freight, mail & charter	50.2%	(6.9%)
military	4.5	
Equipment Leasing	40.6	106.9
Other	4.7	0.0

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	12,431,385	1	12,431,385	24,302

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. American General Insurance Co<	494,200	3.98	494,200	-
American General Capital Management Inc*				
Channing Shares Inc (165200)				
Channing Securities Inc (85000)				
Channing Venture Fund Inc (10000)				
Enterprise Fund Inc (150000)				
Equity Growth Fund Of America Inc (84000)				
2. New Jersey Division Of Investment	300,000	2.41	300,000	-
3. Keystone Custodian Funds Inc*	275,000	2.21	275,000	-
Keystone Apollo Fund Inc (3500)				
Keystone Custodian Fds Ser K-2 (45300)				
Keystone Custodian Fds Ser S-4 (216900)				
Polaris Fund Inc (9300)				
4. Dreyfus Corp*	252,105	2.03	252,105	-
Dreyfus Fund Inc (252105)				
5. Boston Safe Deposit & Trust Co	222,557	1.79	233,607	14,500
Douglas T Johnston & Co Inc*				
Johnston Mutual Fund Inc (200000)				
6. Neuberger & Berman+ (238695)	169,100	1.36	169,100	238,695
Cedar Street Consultants Inc*				
Energy Fund Inc (100000)				
Guardian Mutual Fund Inc (69100)				
7. Mathers & Co Inc*	168,130	1.35	168,130	-
Mathers Fund Inc (168130)				
8. Hoffman, Wayne M#	161,104	1.30	161,104	-
9. Alleghany Corp< (PT)	157,500	1.27	157,500	-
Investors Diversified Services Inc*				
IDS Progressive Fund Inc (157500)				
10. Franklin Resources Inc<	144,000	1.16	144,000	-
Franklin Research Inc*				
Franklin Cust Fds-Dynatech (21000)				
Research Equity Fd (123000)				
11. Lincoln National Corp<	124,950	1.01	124,950	-
Lincoln National Investment Management Co*				
Selected American Shares Inc (124950)				
12. Phillips Hager & North Ltd* (Canada)	108,421	.87	108,421	-
NW Equity Fund Ltd (4009)				
NW Growth Fund Ltd (56612)				
Phillips Hager & North Fund Ltd (40300)				
Phillips Hager & North Pld Pn Fd (7500)				
13. Marlennan Corp<	100,000	.80	100,000	-
Putnam Management Co*				
Putnam Growth Fund Inc (100000)				
14. Manufacturers Life Insurance Co (Canada)	76,619	.61	76,619	-
15. SAFECO Corp<	75,000	.60	75,000	-
Pacific Northwest Mngt & Research Co*				
SAFECO Equity Fund Inc (75000)				
16. Canada Trust Co*	65,000	.52	65,000	-
Canada Tr Pension American Eq Fd (65000)				
17. Prescott, Robert W#	62,797	.50	62,797	-
18. Common Fund	57,500F	.46	57,500F	-
19. Harris Trust & Savings Bank	48,161	.38	48,161	38,143
20. AGF Management Ltd* (Canada)	32,700	.26	32,700	-
AGF Special Fund Ltd (11700)				
American Growth Fd Ltd (21000)				
21. Deutsche Gesellschaft Fur Wertpapiersparen*	31,500	.25	31,500	-
Akkumula (31500)				
22. Allendale Group<	24,400	.19	24,400	-
Protection Mutual Insurance Co (24400)				
23. Grojean, Thomas F#	22,910	.18	22,910	-
24. Meyers, Norman L#	21,082	.16	21,082	-
25. Feldman, Myer#	20,000	.16	20,000	-
26. Continental Illinois National Bank & Trust Co	17,479	.14	33,093	-
27. United States Trust Co	3,497X	.02	31,383X	-
28. Bank Of New York	-	-	640,055	-
29. First National City Bank	-	-	35,848	-
30. Merrill Lynch & Co Inc<	-	-	-	818,928B
Merrill Lynch Pierce Fenner & Sm+ (818928B)				
31. Bankers Trust Co	-	-	-	404,225B
32. Chemical Bank	-	-	-	375,882B
33. State Street Bank & Trust Co	-	-	-	358,038B

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
34. Fidelity Union Trust Co	-	-	-	215,000B
35. Manufacturers Hanover Trust Co	-	-	-	201,151B
36. Dean Witter & Co+	-	-	-	173,585
37. Paine Webber Jackson & Curtis Inc+	-	-	-	165,754
38. Hutton (E F) & Co Inc+	-	-	-	164,854B
39. Security Trust Co	-	-	-	143,081B
40. Shearson Hayden Stone Inc<	-	-	-	120,946
41. Loeb Rhoades & Co+	-	-	-	115,389B
42. Swiss American Securities Inc+	-	-	-	113,366B
43. Chase Manhattan Bank NA	-	-	-	112,787B
44. United Missouri Bank Of Kansas City	-	-	-	104,300B
45. Bache Halsey Stuart Inc+	-	-	-	100,557
TOTALS	3,235,712	26.03%	3,966,165	

TOP 5 SHAREHOLDERS VOTE 12.42% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 18.85% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 22.75% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 24.90% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 25.86% OF THE STOCK.

TIME-DC INC

P.O. Box 2787, Lubbock, TX 99408

Incorporated: Delaware
Fortune Rank: –
Assets: $84,472
Total Debt: $23,744
Debt/Asset Ratio: 28.1%
Lease Commitments: $6,072
Number of Employees: 6,594
Operating Revenue: $198,865
Income: $4,409 (a)
Net Income: $1,356
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 27.3%
Regulation: SEC, ICC

Principal Underwriter(s) – None

Legal Counsel(s) – NA

Transportation Subsidiaries – None

Control

NATIONAL CITY LINES INC (74.80%) and J.D. Leftwich# (.31%).

Comments

See NATIONAL CITY LINES INC.

Stock Structure

Class	Shares Outstanding (12-16-74)	Votes per Share	Total Votes per Class	Stockholders of Record (12-16-74)
Common	2,627,406	1	2,627,406	3,582
CV Pfd. Ser. A	741,288	¼	185,322	3,259
Total Votes Outstanding			2,812,728	

TRANS UNION CORP

90 Half Day Rd., Lincolnshire, IL 60015

Incorporated: Delaware
Fortune Rank: 344
Assets: $1,205,111
Total Debt: $678,237
Debt/Asset Ratio: 56.3%
Lease Commitments: $69,987
Number of Employees: 10,000
Operating Revenue: $490,298
Income: $58,450 (b)
Net Income: $33,700
Foreign Operating Revenue: 48.7%
Foreign Income: NA
Income Tax Rate: 42.3%
Regulation: SEC

Principal Underwriter(s)

DT (subsidiary)–Salomon Brothers

Legal Counsel(s) – NA

Transportation Subsidiaries

Central Gulf Lines Inc (WC-CN)
Mammoth Bulk Carriers Ltd (WC-CN)

Comments

Corporate Structure: Company owns and leases the second largest fleet of privately-owned railway cars in the world, totalling 53,370 units. Company is also the largest operator of LASH vessels. As of December 1975 Company had increased its fleet of ocean-going vessels to 25 with a total deadweight tonnage of 1,116,050. Two bulk carriers aggregating 54,000 DWT were on order.

Major Transactions: Company had a long term contract through 1976 to charter four general cargo vessels to the U.S. Navy.

Payments Disclosure: In 1975 Company disclosed improper foreign payments by one of its subsidiaries and announced an investigation of all its foreign operations for questionable payments.

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	10,217,742	1	10,217,742	13,805

Business Lines	Percent of Operating Revenue	Percent of Income
Railroad Car Services & Sales	25.0%	71.5%
Maritime & Other Overseas Transp. Serv.	20.4	9.7
Overseas Marketing, Equip. Leasing, Other	8.6	10.8
Water & Waste Treatment	28.5	9.2
Fasteners & Forged Products	14.4	18.5
Real Estate Development	3.0	(12.3)
Miscellaneous Expenses	–	(7.4)

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. National City Bank Of Cleveland	454,410	4.45	544,380	-
2. Trans Union Corp Restated Profit Sharing Pls Internal Trustees (221238) 436 Participants/Internal Trustee (58993)	280,231	2.74	280,231	-
3. Harris Trust & Savings Bank	239,396	2.34	270,646	-
4. Seligman (J & W) & Co+ Union Service Corp* Broad Street Investing Corp (235000)	235,000	2.30	235,000	-
5. Wells Fargo Bank NA	217,859	2.13	225,429	-
6. Prudential Insur Co Of America< (197900) Prudential Fund Mngt Canada Ltd* Prudential'S Gibraltar Fund (18000)	215,900	2.11	215,900	-
7. Pittsburgh National Bank	215,489	2.11	222,737	-
8. Wachovia Bank & Trust Co NA	162,725	1.59	167,425	-
9. Bankers Trust Co	143,048	1.40	218,000	-
10. Johnsen, Niels W#	128,128E	1.25	128,128E	-
11. Piedmont Management Co Inc< Lexington Management Corp* Lexington Research Fund (80000)	80,000	.78	80,000	-
12. National Securities & Research Corp* National Securities Fd-Stock Fd (75000)	75,000	.73	75,000	-
13. Massachusetts Mutual Life Insurance Co	70,000	.68	70,000	-
14. Virginia National Bank (Norfolk)	67,743	.66	70,093	-
15. Lincoln National Corp< Lincoln National Life Insurance Co (60000)	60,000	.58	60,000	-
16. City National Bank Of Connecticut	55,293	.54	55,393	-
17. Bank Of New York	53,000	.51	53,000	-
18. Gorkom, J W Van#	50,226E	.49	50,226E	-
19. First National Bank Of Maryland	46,260	.45	49,960	-
20. Cornell University	34,400B	.33	34,400B	-
21. Dupont Family Group Delfi Management Inc* Sigma Investment Shares Inc (34000)	34,000	.33	34,000	-
22. First National Bank Of Chicago	32,868	.32	32,868	-
23. Calvin Bullock Ltd* New York Venture Fund (30000)	30,000	.29	30,000	-
24. Travelers Corp< Travelers Insurance Co (22250)	22,250	.21	22,250	-
25. Aetna Life & Casualty Co Aetna Life Insurance Co (21900)	21,900	.21	21,900	-
26. American Re-Insurance Co	20,000	.19	20,000	-
27. Continental Illinois National Bank & Trust Co	19,143	.18	52,435	-
28. Bank Of America NTSA	18,567	.18	21,931	-
29. First National City Bank (NY)	13,640	.13	22,400	-
30. Chase Manhattan Bank NA	12,000	.11	53,000	-
31. United States Trust Co	-	-	128,213X	-
TOTALS	3,108,476	30.42%	3,544,945	

TOP 5 SHAREHOLDERS VOTE 13.96% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 22.43% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 25.89% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 28.23% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 29.61% OF THE STOCK.

TRANS WORLD AIRLINES INC

605 Third Ave., New York, NY 10016

Incorporated: Delaware
Fortune Rank: 1 T
Assets: $2,007,864
Total Debt: $1,025,147
Debt/Asset Ratio: 51.1%
Lease Commitments: $1,716,708
Number of Employees: 75,700
Operating Revenue: $2,515,135
Income: ($22,817) (b)
Net Income: ($23,574)
Foreign Operating Revenue: 33.8% (approx.)
Foreign Income: (131%) (approx.)
Income Tax Rate: (13.6%)
Regulation: SEC, CAB

Principal Underwriter(s)

DT (1971)—Dillon, Read & Co

Legal Counsel(s)

Chadbourne, Park, Whiteside & Wolf, NY: fees for 1973-1974—$1,212; Poletti, Freidin, Prashner, Feldman & Gartner NY: fees for 1973-1974—$347

Transportation Subsidiaries

None

Comments

Corporate Structure: In April 1976 Company terminated negotiations with its 60 institutional lenders after having failed to reach an agreement on a 4 year deferment of itssenior debt. Company estimates it will need to raise $2 billion over the next 5 years to reequip its aircraft fleet but has no arrangements for external financing (see "Major Transactions"). See also PAN AMERICAN WORLD AIRWAYS INC.

Capital Structure: In October 1976 Company cancelled plans for a public sale of 2 million common shares. The offering was to have been managed by Dillon, Read & Co.

Major Transactions: In June Company reached an agreement with Boeing Co to defer indefinitely the delivery of 14 new jet aircraft. See GREYHOUND CORP and PAN AMERICAN WORLD AIRWAYS INC.

Labor: Company is a defendant in several suits brought by former and present employees and the Equal Employment Opportunity Commission charging it with discriminatory employment practices.

Payments Disclosure: In 1976-1977 Company disclosed that it had made some $1.3 million in questionable payments, including $307,000 to shippers and air freight forwarders in the United States, $672,000 in rebates to cargo sales agents in West Germany, and $70,000 in indirect rebates to shippers and cargo agents in 3 other foreign countries. Hilton International Co, a Company subsidiary, was said to have paid $90,000 to foreign government officials to resolve a labor conflict and avoid a fine, and Canteen Corp, another subsidiary, paid $3,500 to a government employee who reviewed Canteen's bids. Canteen also received questionable allowances of $7,000 from beer and dairy-product suppliers. In September 1975 Company and 18 other airlines pleaded no contest to charges of making rebates in violation of the Federal Aviation Act.

Business Lines	Percent of Operating Revenue	Percent of Income
Airline	70.8%	(252.0%)
Food Services	18.8	74.3
Hotels	10.4	77.6

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	12,919,615	1	12,919,615	37,479
Ser. A $2 CU CV Pfd.	1,048,096	½	524,048	6,030
Total Votes Outstanding			13,443,663	

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. United Missouri Bank Of Kansas City Trans World Airlines Stock Pur & Thrift Plans/12563 Pcts (1451062E)	1,451,062E	10.79	1,451,062E	19,929E
2. Dreyfus Corp* Dreyfus Fund (500000)	500,000	3.72	500,000	-
3. Fidelity Management & Research Co* Fidelity Trend Fund (391000)	391,000	2.91	391,000	-
4. Ohio State Teachers Retirement System	325,000	2.42	325,000	-
5. Alleghany Corp< (PT) Investors Diversified Services Inc* Investors Mutual Inc (300000)	300,000	2.23	300,000	-
6. Ford Foundation	250,000C	1.86	250,000C	-
7. Continental Investment Corp< Waddell & Reed Inc* United Accumulative Fund (226500)	226,500	1.68	226,500	-
8. Robeco* (Netherlands) Rolinco (200000)	200,000	1,49	200,000	-
9. National Aviation Corp	180,500	1.34	180,500	-
10. Hilton, Conrad & Family Interests	163,108	1.21	163,108	-
11. Chase Manhattan Bank NA	119,000	.88	156,000	404,032B
12. Crown, Henry Family Interests#	103,787	.77	103,787	-

TRANS WORLD AIRLINES INC

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power		Total Managed Holdings	Management Powers Not Identified
	Number of Votes	Percent Total Votes		
13. Lehman Brothers Inc+ Lehman Corp (100000)	100,000	.74	100,000	-
14. Piedmont Management Co Inc< Lexington Management Corp* Lexington Research Fund (100000)	100,000	.74	100,000	-
15. Madison Fund Inc	85,000	.63	85,000	-
16. Fahnestock & Co+ (28147A) Fahnestock Advisory Corp* Philadelphia Fund (80000)	80,000	.59	80,000	28,147A
17. Bank Of America NTSA	62,813	.46	63,163	-
18. C S International Management Co* (Bermuda) Capital International Fund SA (30000E)	30,000E	.22	30,000E	-
19. American Republic Insurance Co	25,200	.18	25,200	-
20. Progefi* (France) France-Placement (25000)	25,000	.18	25,000	-
21. United States Trust Co	23,701X	.17	89,046X	-
22. Morgan Guaranty Trust Co	18,900	.14	18,900	259,963B
23. Seattle-First National Bank	4,000	.02	151,000	-
24. Provident National Bank (Penn)	3,761	.02	34,015	-
25. Bankers Trust Co	-	-	-	889,881B
26. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (809751)	-	-	-	809,751
TOTALS	4,768,332	35.47%	5,048,281	

TOP 5 SHAREHOLDERS VOTE 22.07% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 29.66% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 33.44% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 35.09% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 35.47% OF THE STOCK.

TRANSAMERICA CORP

600 Montgomery St., San Francisco, CA 94111

Incorporated: Delaware
Fortune Rank: 6 F
Assets: $4,727,649
Total Debt: $1,283,662
Debt/Asset Ratio: 27.2%
Lease Commitments: $112,687
Number of Employees: 25,300
Operating Revenue: $2,202,161
Income: $39,826 (f)
Net Income: $40,079
Foreign Operating Revenue: 7.4%
Foreign Income: NA
Income Tax Rate: 15.1%
Regulation: SEC, FCC

Principal Underwriter(s)

S (1969)—Smith, Barney; Dominick & Dominick. DT—Merrill Lynch; Salomon Brothers

Legal Counsel(s)

Phillips, Nizer, Krim, Benjamin & Ballon, NY: fees for 1974—$217; Burwell & Hansen, DC: fees for 1974—NA

Transportation Subsidiaries

Trans International Airlines Inc (AL-CN)

Comments

Corporate Structure: In March 1976 Company received CAB approval to merge Saturn Airways Inc into Trans International Airlines Inc (ST). In December Company completed the acquisition of Saturn for approximately 2,576,000 shares of its common stock and merged it into Trans International Airlines. Trans International Airlines subsequently became the largest U.S. charter airline with 41% of the operating revenues of the top 5 charter carriers.

Business Lines	Percent of Operating Revenue	Percent of Income
Life, Property & Title Insurance Services	59.0%	155.8%
Lending Services	6.4	12.3
Entertainment Services	13.1	25.6
Airline & Car Rental	6.7	1.1
Computer Leasing Services	1.2	(57.7)
Manufacturing of Industrial Equipment	8.7	16.9
Real Estate Development Services	0.7	(13.6)
Other	4.2	(40.5)

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	64,944,545	1	64,944,545	169,029
4½% CV Pfd.	75,762	1	75,762	996
$4.80 CV Pfd.	9,572	1	9,572	580
Total Votes Outstanding			65,029,879	

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Bank Of America NTSA	2,354,886	3.62	2,354,886	-
Transamerica Corp Employee St Savings Pl/ 7470 Participants (1752014)				
2. United States Steel & Carnegie Pension Fund	783,692	1.21	783,692	-
3. National Bank Of Detroit	625,102	.96	703,066	382,931C
4. Washington National Corp<	500,000	.76	500,000	-
Anchor Corp*				
Fundamental Investors Inc (500000)				
5. New Jersey Division Of Investment	335,000F	.51	335,000F	-
6. Krim, Arthur B#	316,533	.48	316,533	-
7. California Employees' Retirement Systems	302,016F	.46	302,016F	-
8. Seligman (J & W) & Co+	292,600E	.44	292,600E	-
Union Service Corp*				
Broad Street Investing Corp (222600E)				
Union Income Fund Inc (70000E)				
9. Boatman'S National Bank Of St Louis	259,486	.39	262,406	-
10. Fort Worth National Bank	256,148	.39	261,789	-
11. Penn Square Management Corp*	250,000E	.38	250,000E	-
Penn Square Mutual Fund (250000E)				
12. Riggs National Bank (DC)	232,034	.35	285,825	-
13. Cramer, Glenn A#	229,086	.35	229,086	-
14. Benjamin, Robert S & Family#	225,704E	.34	225,704E	-
15. North Carolina National Bank	220,799	.33	222,375	-
16. Pittsburgh National Bank	213,940	.32	215,460	-
17. Bigley, George A	134,734X	.20	134,734X	-
18. Bogue, Bradley#	112,458	.17	112,458	-
19. University Of California	111,916	.17	111,916	-
20. First National Bank & Trust Co, Oklahoma City	106,630	.16	137,585	-
21. Security Pacific National Bank	106,091	.16	143,008	-
22. Ford Foundation	100,000C	.15	100,000C	-
23. Crocker National Bank	89,614	.13	107,386	-
24. First National City Bank (NY)	11,832	.01	214,887	-
25. United States Trust Co	9,787X	.01	212,094X	-
26. Chase Manhattan Bank NA	7,000	.01	28,000	703,442C
27. Continental Illinois National Bank & Trust Co	-	-	166,396	-
28. First Jersey National Bank	-	-	14,726	185,281B
29. Merrill Lynch & Co Inc<	-	-	-	2,157,761
Merrill Lynch Pierce Fenner & Sm+ (2157761)				
30. Dean Witter & Co+	-	-	-	819,612
TOTALS	8,187,088	12.59%	9,023,628	

TOP 5 SHAREHOLDERS VOTE 7.07% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 9.27% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 11.05% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 12.09% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 12.58% OF THE STOCK.

TRANSCANADA PIPELINES LTD

P.O. Box 54, Commerce Court W., Toronto, Ontario M5L 1C2, Canada

Incorporated: Canada
Fortune Rank: –
Assets: $1,500,794
Total Debt: $887,411
Debt/Asset Ratio: 59.1%
Lease Commitments: None
Number of Employees: 1,460
Operating Revenue: $567,942
Income: $103,947 (a)
Net Income: $45,582
Foreign Operating Revenue: –

Foreign Income: –
Income Tax Rate: –
Regulation: SEC

Principal Underwriter(s)

DT–Nesbitt Thomson Securities; Wood Gundy; McLeod, Young, Weir & Co; Midland Doherty Ltd

Legal Counsel(s)–NA

Transportation Subsidiaries

Great Lakes Gas Transmission Co (PG-UN)

Comments

Corporate Structure: Company operates Canada's largest pipeline system.

Joint Ventures: Company is a participant in the Alaskan Arctic Gas Pipeline Co (see NORTHERN NATURAL GAS CO). Company is a member and the manager of the Polar Gas Project, a joint venture with TENNECO INC, TEXAS EASTERN TRANSMISSION CORP, Panarctic Oils Ltd, and Pacific Lighting Corp to build a pipeline from the Arctic Islands to the Canadian mainland.

Major Transactions: Company has a long-term contract to purchase gas from CONSOLIDATED NATURAL GAS CO. Company's

5 largest customers account for 94.8% of its sales, including 11.3 11.3% to MIDWESTERN GAS TRANSMISSION CO and 10.3% to Great Lakes Gas Transmission Co (ST).

Business Lines		Percent of Operating Revenue	Percent of Income
Natural Gas:	sales	98.8%	NA
	transportation	0.9	NA
Other		0.2	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	31,077,790	1	31,077,790	24,302

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Canadian Pacific Ltd (PT)	4,501,457	14.48	4,501,457	-
Canadian Pacific Investments Ltd (4501457)				
2. Home Oil Co Ltd (Canada)	1,500,000	4.83	1,500,000	-
3. Power Corp-Investors Group Of Canada<	1,163,254	3.74	1,163,254	-
Imperial Life Assur Of Canada (88900)				
Investors Securities Management Ltd*				
Investors Mutual Of Canada Ltd (285095)				
Investors Growth Fund Of Canada (477465)				
Investors Group Pld Pn Tr Fund B (266794)				
Montreal Trust Co				
Montreal Trust Retir Savings Plan (45000)				
4. Royal Trust Co	406,500	1.31	406,500	-
Canadian Medical Assn Retir Fd (165000)				
Canadian Dental Assn Retir Fd (30000)				
Royal Trust Managed Fund C (150000)				
Royal Trust Pld Pn Corporate Fund (61500)				
5. Canada Life Assurance Co	300,000	.96	300,000	-
6. Robeco* (Netherlands)	300,000	.96	300,000	-
7. Continental Investment Corp<	286,000	.92	286,000	-
United Funds Management Corp*				
United Accumulative Fund Ltd (235000)				
United Accumulative Retirement Fd (45000)				
United Pension Fund (6000)				
8. United Corporations Ltd-Canada (111600)	185,100	.59	185,100	-
United Bond & Share Ltd*				
Royfund Ltd (73500)				
9. AGF Management Ltd*	180,000	.57	180,000	-
Canadian Gas & Energy Fund Ltd (180000)				
10. Manufacturers Life Insurance Co (Canada)	170,500	.54	170,500	-
11. Calvin Bullock Ltd*	150,000	.48	150,000	-
Canadian Investment Fund Ltd (150000)				
Canadian Fund Inc (40000)				
12. Savings & Investment Trust Co*	131,700	.42	131,700	-
Savings & Investment Corp Mtl Fd (124200)				
Savings & Investment Retir Fd (7500)				
13. Prudential Insurance Co Of America< (63000)	99,000	.31	99,000	-
Prudential Fund Management Canada Ltd*				
Prudential Growth Fund Canada Ltd (36000)				
14. Canada Permanent Mortgage Corp<	87,000	.27	87,000	-
Canada Permanent Trust Co				
Investment Fund (42000)				
Retirement Savings Income Fund (45000)				
15. Guardian Capital Group Ltd< (Canada)	76,700	.24	76,700	-
Mutual Funds Management Corp Of Canada Ltd*				
Mutual Accumulating Fund (34100)				
Guardian Enterprise Fd Of Canada (14600)				
Guardian Pension Fund-Equity (28000)				
16. Monarch Life Assurance Co (Canada)	65,000	.20	65,000	-
TOTALS	9,602,211	30.90%	9,602,211	

TOP 5 SHAREHOLDERS VOTE 25.33% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 28.94% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 30.69% OF THE STOCK.

TRANSCO COS INC

2700 S. Post Oak Rd., Houston, TX 77001

Incorporated: Delaware
Fortune Rank: 44 U
Assets: $1,531,983
Total Debt: $831,443
Debt/Asset Ratio: 54.3%
Lease Commitments: None
Number of Employees: 1,883
Operating Revenue: $520,276
Income: $83,232 (a)
Net Income: $12,244
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 37%
Regulation: SEC

Principal Underwriter(s)

DT (pipeline)—White, Weld & Co; Lehman Brothers

Legal Counsel(s)

NA

Transportation Subsidiaries

Transcontinental Gas Pipe Line Corp (PG-CN)

Comments

Corporate Structure: Company is seeking to diversify into slurry pipelines and coal production.

Changes in Corporate Control: Stone & Webster Inc had reduced its holdings in Company to 584,862 by 2-31-77.

Joint Ventures: Company is a participant in the High Island Offshire System (see TEXAS GAS TRANSMISSION CORP). Company has a 2% interest in a communications network which International Telephone & Telegraph Co is building along Company's right-of-way from Houston to New York. Company is one of eight members of Utilities Group Inc, which made an unsuccessful offer to acquire Peabody Coal Co from Kennecott Corp.

Major Transactions: Company is the sole supplier of natural gas for North Carolina and Delaware, and supplies 68% of the market in New York, New Jersey and Pennsylvania. Transcontinental Gas Pipe Line Co (ST) sells approximately 86.2% of its gas under long-term contracts to 16 customers, including PUBLIC SERVICE ELECTRIC & GAS CO, Columbia Gas Transmission Corp (ST) and WASHINGTON GAS LIGHT CO. Company is negotiating with EL PASO CO to obtain part of EL PASO's future imports of Algerian liquified natural gas. See also NATIONAL FUEL GAS CO.

Business Lines	Percent of Operating Revenue	Percent of Income
Natural Gas & Energy Related Activities	90%+	90%+

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	22,281,412	1	22,281,412	66,340

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. First City National Bank Of Houston Thrift Plan For Emps Of Transco Cos/1774 Participants (1399720)	1,457,235	6.54	1,457,515	-
2. Stone & Webster Inc<	1,410,732	6.33	1,410,732	-
3. Newmont Mining Corp	363,205	1.63	363,205	-
4. Kinsey, Norman V#	276,300	1.24	276,300	-
5. Ricketts, R D#	175,569	.78	175,569	-
6. Washington National Corp< Anchor Corp* Anchor Income Fund (91000)	91,000	.40	91,000	-
7. Morgan Guaranty Trust Co	46,895	.21	47,931	-
TOTALS	3,820,936	17.15%	3,822,252	

TOP 5 SHAREHOLDERS VOTE 16.53% OF THE STOCK.

TRANSCON LINES

101 Continental Blvd., El Segundo, CA 90245

Incorporated: California
Fortune Rank: 48 T
Assets: $86,126
Total Debt: $26,885
Debt/Asset Ratio: 31.2%
Lease Commitments: $14,703
Number of Employees: 4,453
Operating Revenue: $143,343
Income: $8,189 (a)
Net Income: $3,952
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 43.4%
Regulation: SEC, ICC

Principal Underwriter(s)

S (1966)–Blyth Eastman Dillon & Co

Legal Counsel(s)

MacDonald, Halsted & Laybourne (Gen. Couns.), CA: fees for 1974–$38

Transportation Subsidiaries

None

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	3,114,283	1	3,114,283	2,756

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Seligman (J & W) & Co+ Union Service Corp* Broad Street Investment Co (175000)	175,000	5.62	175,000	-
2. Vance Sanders & Co Inc* Diversification Fund (40000) Fiduciary Exchange Fund (52380) Second Fiduciary Exchange Fund (66488)	158,168	5.08	158,168	-
3. Deaton, Dudley C Jr & Family#	137,976	4.43	137,976	-
4. Neiman, Orin S Family Interests Edward Corp (123300)	123,300	3.96	123,300	-
5. Mellon Bank NA Collective Emp Ben Tr-Mellon Bk (100000)	119,500	3.84	119,500	-
6. Transcon Lines Monthly Investment Plan (788 Participants)	111,860	3.59	111,860	-
7. Spurgin, George A & Family#	84,387	2.71	84,387	-
8. Bankers Life Co	76,300	2.45	76,300	-
9. Sollenbarger, Lee R & Family#	52,783	1.69	52,783	-
10. Bank Of America NTSA Aerojet-General Corp Pension Fd (51800)	52,200	1.68	52,700	400
11. Chase Manhattan Bank NA	50,000	1.61	63,000	2,100
12. Integon Corp< Integon General Insurance Corp (7000) Integon Indemnity Corp (10000) Integon Life Insurance Corp (15000) Integon Investment Management Corp* Integon Growth Fund Corp (17700)	49,700	1.60	49,700	-
13. Langer, Ludy & Family	46,800	1.50	46,800	-
14. Mutual Of Omaha Insurance Co United Benefit Life Insurance Co (36000)	36,000	1.16	36,000	-
15. Freston, Arthur#	30,000	.96	30,000	-
16. First National Bank Of Akron	17,700	.56	17,700	-
17. Chubb Corp< London Assurance (15000)	15,000	.48	15,000	-
18. Piper, Burke G#	10,100	.32	10,100	-
19. Transamerica Corp< (PT) Occidental Life Insurance Co (10000)	10,000	.32	10,000	-
20. Security Pacific National Bank	9,713	.31	13,313	-
21. Foy, Allan B#	7,332	.23	7,332	-
22. Wachovia Bank & Trust Co NA	-	-	49,700	-
23. Bankers Trust Co	-	-	-	76,300
24. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (71922)	-	-	-	71,922
TOTALS	1,373,819	44.11%	1,440,619	

TOP 5 SHAREHOLDERS VOTE 22.92% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 35.05% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 41.87% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 43.88% OF THE STOCK.

TRANSWAY INTERNATIONAL CORP

747 Third Ave., New York, NY 10017

Incorporated: Delaware
Fortune Rank: 19 T NRF
Assets: $187,961
Total Debt: $32,824
Debt/Asset Ratio: 17.5%
Lease Commitments: $22,487
Number of Employees: 6,848
Operating Revenue: $592,121
Income: $37,505 (a)
Net Income: $19,533
Foreign Operating Revenue: NA
Foreign Income: 35%
Income Tax Rate: 39.7%
Regulation: SEC, FMC (Waterman Marine Corp)

Principal Underwriter(s)

S–Salomon Brothers

Legal Counsel(s)

NA

Transportation Subsidiaries

Coordinated Caribbean Transport Inc (WC-CN)
Stor Dor Freight System Inc (FF-CN)
Universal Carloading & Distributing Co (FF-CN)
Waterman Marine Corp (WC-UN)
Western Carloading Co Inc (FF-CN)

Comments

Corporate Structure: Company owns Merchant Shippers Inc, the 16th largest U.S. freight forwarder. In December 1976 Company sold an 80% interest in a Venezuelan subsidiary to a group of Venezuelan nationals

Payments Disclosure: In November 1976 Action Industries Inc disclosed that it had received illegal rebates from the Waterman Line (ST). Company's President, C.E. Acker, was President and Chief Operating Officer of Braniff Airways Inc (ST) until 1975. In 1976 Mr. Acker, Braniff and others were charged by the CAB with making unrecorded sales of airline tickets to generate a slush fund (see BRANIFF INTERNATIONAL CORP).

Business Lines	Percent of Operating Revenue	Percent of Income
Freight Forwarding & Related Services	44.7%	39.0%
Maritime Transportation	22.3	15.2
Truck Trailer Manufacturing	14.9	17.5
Liquified Petroleum Gas	14.1	20.7
Plumbing & Steel Products	4.0	7.6

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Capital	6,486,482	1	6,486,482	18,892

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. California Employees' Retirement System	281,900	4.35	281,900	-
2. Fidelity Management & Research Co* Everest Fund (60000) Puritan Fund (152000)	212,000	3.27	212,000	-
3. Capital Research & Management Co* Investment Co Of America (200000)	200,000	3.08	200,000	-
4. Northwestern Mutual Life Insurance Co	70,692	1.09	70,692	-
5. Elfun Trusts	57,300	.88	57,300	-
6. Hammond, C F Jr & Family#	50,076E	.77	50,076E	-
7. Colorado National Bank	36,135	.55	38,815	-
8. Security Benefit Life Insurance Co< Security Management Co Inc* Security Investment Fund (30000)	30,000	.46	30,000	-
9. Dupont Family Group Delfi Management Inc* Sigma Capital Shares Inc (18000) Sigma Trust Shares Inc (10000)	28,000	.43	28,000	-
10. Integon Corp< Integon General Insurance Corp (5000) Integon Indemnity Corp (3300) Integon Life Insurance Corp(8700) Integon Investment Management Corp* Integon Growth Fund (7500)	24,500	.37	24,500	-
11. Melius, F N Jr & Family#	22,500	.34	22,500	-
12. Lincoln National Corp< Lincoln National Investment Mngt Co* Selected American Shares Inc (22000)	22,000	.33	22,000	-
13. Claremont University	20,000	.30	20,000	-
14. Erie Insurance Exchange	20,000	.30	20,000	-
15. Moir, G R & Family#	15,500E	.23	15,500E	-
16. Third National Bank & Trust Co (Ohio)	14,335	.22	14,335	-
17. Smith, A A Family Interests#	13,800	.21	13,800	-

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
18. United States Trust Co	10,105X	.15	20,505X	-
19. Chase Manhattan Bank NA	1,000	.01	18,000	-
20. Southeast First National Bank Of Miami	-	-	32,368	-
21. Wachovia Bank & Trust Co NA	-	-	29,340	-
22. Dean Witter & Co+	-	-	-	128,450
23. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (102240)	-	-	-	102,240
TOTALS	1,129,843	17.42%	1,221,631	

TOP 5 SHAREHOLDERS VOTE 12.67% OF THE STOCK. TOP 15 SHAREHOLDERS VOTE 16.81% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 15.27% OF THE STOCK. TOP 20 SHAREHOLDERS VOTE 17.42% OF THE STOCK.

TWO HUNDRED & ONE ELEVENTH AVENUE CORP

201 11th Ave., New York, NY 10001

Incorporated: New York

Transportation Subsidiaries

National Carloading Corp (FF)

Control

No information available.

Comments

A privately-owned company for which no information is available except from published sources.

Corporate Structure: Company was formed in 1974 as the parent of ABC Freight Forwarding Co. The latter had acquired National Carloading Corp (ST) from AMERICAN EXPORT INDUSTRIES INC in 1972.

UAL INC

P.O. Box 66100, Chicago, IL 60666

Incorporated: Delaware
Fortune Rank: 2 T
Assets: $2,628,867
Total Debt: $962,551
Debt/Asset Ratio: 36.6%
Lease Commitments: $1,508,364
Number of Employees: 49,650
Operating Revenue: $2,365,067
Income: $224,046 (b)
Net Income: $101,002
Foreign Operating Revenue: NA
Foreign Income: NA
Income Tax Rate: 53.8%
Regulation: SEC

Principal Underwriter(s)

S (1971)—Morgan Stanley & Co

Legal Counsel(s)

Mayer, Brown & Platt (Gen. Couns.), IL: fees for 1974--NA

Transportation Subsidiaries

United Air Lines Inc (AL-CN)

Comments

Major Transactions: See WALTER KIDDE & CO INC.

Labor: In December 1975 Company was struck for 16 days by the International Association of Machinists and Aerospace Workers. Company is a defendant in several suits brought by present and former employees, the Equal Employment Opportunity Commission and the Air Line Pilots Association charging it with employment discrimination. In May 1976 Company signed a consent decree and agreed to pay over $1 million in back pay to settle the suits.

Business Lines	Percent of Operating Revenue	Percent of Income
Airline: passenger	84.1%	86.7%
freight	8.2	
other	1.5	
Hotels	6.2	4.1
Gain on Repurchased Debentures	–	9.2

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	24,237,266	1	24,237,266	51,720
Prior Pfd.	71,702	1	71,702	19
Ser. A Pfd.	661,853	1	661,853	1,406
Total Votes Outstanding			24,970,821	

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. First National Bank Of Boston	1,043,700	4.18	1,043,700	448,130B
2. U A L Inc Employees Stock Purchase Plan (10615 Participants)	897,811A	3.60	897,811A	-
3. Dreyfus Corp*	756,400	3.03	756,400	-
Dreyfus Fund (741400)				
Dreyfus Third Century Fund (15000)				
4. Bankers Trust Co	506,421	2.03	666,000	322,278B
5. Ford Foundation	500,000	2.00	500,000	-
6. Capital Research & Management Co*	450,000	1.80	450,000	-
Investment Co Of America (325000)				
New Perspective Fund (125000)				
7. Washington National Corp<	383,500	1.54	383,500	-
Anchor Corp*				
Anchor Growth Fund (125000)				
Anchor Spectrum Fund (40000)				
Fundamental Investors Inc (208500)				
Washington National Fund (10000)				
8. Morgan Guaranty Trust Co	376,703	1.51	380,403	572,412
9. Massachusetts Financial Services Inc*	340,000	1.36	340,000	-
Mass Capital Development Fund (20000)				
Massachusetts Investors Trust (320000)				
10. Seattle-First National Bank	322,848	1.29	459,281	-
11. Chase Manhattan Bank NA	314,000	1.26	512,000	116,153
12. State Street Research & Management Co*	300,000	1.20	300,000	-
Federal Street Fund (100000)				
State Street Investment Corp (200000)				
13. Delaware Management Co Inc*	255,000	1.02	255,000	-
Delaware Fund (250000)				
Delta Trend Fund Inc (5000)				
14. International Telephone & Telegraph Corp<	250,000	1.00	250,000	-
Hamilton Management Corp*				
Hamilton Funds (250000)				
15. Wells Fargo Bank NA	215,047	.86	222,797	-
16. Scudder Stevens & Clark Co*	215,000	.86	215,000	-
Scudder Special Fund (115000)				
Scudder Stevens & Clark Common (100000)				
17. Robeco* (Netherlands)	200,000	.80	200,000	-
Rolinco (200000)				
18. Ohio State Teachers Retirement System	200,000H	.80	200,000H	-
19. Gates Rubber Co< (PT)	198,000	.79	198,000	-
Financial Programs Inc*				
Financial Dynamics Fund (33000)				
Financial Industrial Fund (130000)				
Financial Industrial Income Fund (20000)				
Financial Venture Fund (15000)				
20. National Aviation Corp	183,100	.73	183,100	-
21. Kemper Family Group	175,000	.70	175,000	-
Supervised Investors Services Inc*				
Technology Fund (175000)				
22. Federated Investors Inc<	167,800	.67	167,800	-
Federated Research Corp				
Boston Foundation Fund (20000)				
Fourth Empire Fund (47000)				
Lutheran Brotherhood Fund (27000)				
American Leaders Fund (40000)				
Empire Fund (23800)				
Pacific Standard Fund (10000)				
23. Keystone Custodian Funds Inc*	162,500	.65	162,500	-
Keystone Apollo Fund (1200)				
Keystone Custodian Fds Series K-2 (70000)				
Keystone Custodian Fds Series S-3 (79300)				
Polaris Fund (12000)				
24. Connecticut General Insurance Corp	159,177	.63	159,177	-
Connecticut General Life Insur Co (24177)				
Aetna Insurance Co (50000)				
CG Investment Management Co*				
CG Fund (65000)				
Companion Fund (20000)				
25. First National Bank Of Minneapolis	146,800	.58	146,800	-

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
26. Fidelity Management & Research Co* Essex Fund (12000) Fidelity Trend Fund (116600) Salem Fund (12500) Fidelity Pacific Fund SA-Bermuda (5300)	146,400	.58	146,400	-
27. Central National Bank (Cleveland)	144,212	.57	146,562	26,825B
28. Carlson, Edward E#	140,520B	.56	140,520B	-
29. Bank Of America NTSA	138,494	.55	167,288	-
30. Himmelman, Lynn P & Family#	132,476E	.53	132,476E	-
31. Chestnutt Corp* American Investors Fund Inc (132400)	132,400	.53	132,400	-
32. First National City Bank (NY)	102,729	.41	165,529	135,936B
33. Provident National Bank (Penn)	95,762	.38	105,831	-
34. Allendale Group< Arkwright-Boston Mfg Mutual Insur (94600)	94,600	.37	94,600	-
35. American National Financial Corp< American National Insurance Co (75000) Securities Management & Research Co* American National Growth Fund (15000)	90,000	.36	90,000	-
36. State Farm Mtl Automobile Insur Co< (82312) State Farm Fire & Casualty Co (1233) State Farm Life Insurance Co (3801)	87,346	.34	87,346	-
37. Security Benefit Life Insur Co< Security Management Co Inc* Security Equity Fund (85000)	85,000	.34	85,000	-
38. Gardner, Allen F	68,900B	.27	68,900B	-
39. First National Bank & Trust Co Of Michigan	64,080	.25	64,080	-
40. Continental Illinois National Bank & Trust Co	63,660	.25	66,553	-
41. Manufacturers Life Insurance Co (Canada)	61,769	.24	61,769	-
42. Rockefeller Family Interests Rockefeller Foundation (60000)	60,000	.24	60,000	-
43. Mutual Of Omaha Insur Co (19700) United Benefit Life Insurance Co (34600)	54,300	.21	54,300	-
44. Power Corp-Investors Group Of Canada Ltd< Investors Securities Management Ltd* Investors Group Pld Pn Tr Fd B (22000) Investors Mutual Of Canada (25000) Provident Mutual Fund (6000)	53,000	.21	53,000	-
45. State Bond & Mortgage Co* Progress Fund (9000) Common St Fd Of State Bond & Mtge (40000)	49,000	.19	49,000	-
46. Security Pacific National Bank	34,558	.13	70,887	-
47. Crocker National Bank	32,471	.13	75,767	-
48. First National Bank Of Chicago	10,410	.04	957,372	29,690B
49. Manufacturers National Bank Of Detroit	-	-	60,312	10,988B
50. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (781014B)	-	-	-	781,014B
51. State Street Bank & Trust Co	-	-	-	582,852F
TOTALS	10,660,894	42.69%	11,462,350	

TOP 5 SHAREHOLDERS VOTE 14.83% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 22.34% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 27.68% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 31.67% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 34.92% OF THE STOCK.

UNION PACIFIC CORP

345 Park Ave., New York, NY 10022

Incorporated: Utah
Fortune Rank: 6 T
Assets: $3,027,823
Total Debt: $571,657
Debt/Asset Ratio: 18.8%
Lease Commitments: None
Number of Employees: 30,169

Operating Revenue: $1,599,416
Income: $180,584 (b)
Net Income: $130,373
Foreign Operating Revenue: Insignificant
Foreign Income: Insignificant
Income Tax Rate: 27.8%
Regulation: SEC

Principal Underwriter(s)
DT—First Boston Corp

Legal Counsel(s)—NA

Transportation Subsidiaries
Union Pacific RR Co (RR-CN)

Comments

Corporate Structure: See CHICAGO ROCK ISLAND & PACIFIC RR CO.

Corporate Control: In its 1974 report approving Company's tentative merger agreement with CHICAGO ROCK ISLAND & PACIFIC RR CO, the ICC stated that Company was controlled through a 3% ownership of stock by the Harriman interests, composed of the members of the Harriman family and their associates, and the private banking firm of Brown Brothers Harriman & Co, in which Company directors E.R. Harriman, R.A. Lovett and E.T. Gerry are partners.

Major Transactions: See STANDARD OIL CO (INDIANA).

Business Lines	Percent of Operating Revenue	Percent of Income
Railroad	62.5%	90.4%
Oil, Natural Gas, Coal & Other Nat. Res.	36.5	16.6
Real Estate	1.0	2.9
Other	–	(9.9)

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	22,991,348	1	22,991,348	70,599
Pfd. Ser. A	534,527	1	534,527	2,210
Total Votes Outstanding			23,525,875	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Equitable Life Assurance Society Of The US	878,700	3.74	878,700	-
2. Ford Foundation	447,000C	1.90	447,000C	-
3. Wellington Management Co*	319,000	1.36	319,000	-
Wellington Fund Inc (300000)				
Exeter Fund (19000)				
4. Chemical Bank	298,888	1.27	338,000	-
5. Dreyfus Corp*	294,400	1.25	294,400	-
Dreyfus Fund Inc (294400)				
6. Massachusetts Financial Services Inc*	275,000	1.17	275,000	-
Massachusetts Investors Trust (275000)				
7. Fidelity Management & Research Co*	265,100	1.13	265,100	-
Fidelity Fund Inc (265100)				
8. First National Bank Of Denver	255,380	1.09	258,955	-
9. California, University Of	223,424	.94	223,424	-
10. American General Insurance Co<	213,500	.90	213,500	-
Calif-Western States Life Insurance (27000)				
Fidelity & Deposit Co Of Maryland (18500)				
Maryland Casualty Co (45000)				
Variable Annuity Life Insurance Co (28000)				
American General Capital Management Inc*				
Enterprise Fund Inc (50000)				
Channing Shares Inc (25000)				
Fund Of America Inc (20000)				
11. Kemper Family Group	200,000	.85	200,000	-
Supervised Investors Services Inc*				
Technology Fund Inc (200000)				
12. New Jersey Division Of Investment	200,000F	.85	200,000F	-
13. Rhode Island Hospital Trust National Bank	193,229	.82	194,929	-
14. Lord Abbett & Co*	158,000	.67	158,000	-
Affiliated Fund Inc (158000)				
15. Bank Of America NTSA	157,530	.66	162,385	-
16. New York State Common Retirement Fund	145,000	.61	145,000	-
17. Harriman Family Group	137,670E	.58	137,670E	-
Harriman, E Roland (126920E)				
Gerry, Elbridge T (3250E)				
Lovett, Robert A (7500E)				
18. Vance Sanders & Co Inc*	137,000	.58	137,000	-
Vance Sanders Investors Fund (50000)				
Vance Sanders Common Stock Fund (12000)				
Diversification Fund Inc (10000)				
Second Fiduciary Exchange Fund (10000)				
Depositors Fund Of Boston Inc (10000)				
Capital Exchange Fund (10000)				
The Exchange Fund Of Boston (10000)				
Leverage Fund Of Boston (15000)				
Fiduciary Exchange Fund Inc (10000)				
19. Metropolitan Life Insurance Co (126900)	128,400	.54	128,400	-
Metropolitan Property & Liability (1500)				
20. Wells Fargo Bank NA	111,311	.47	110,628	-

UNION PACIFIC CORP

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
21. Capital Research & Management Co* Investment Co Of America (105000)	105,000	.44	105,000	-
22. Yale University	100,000	.42	100,000	-
23. New York City Comptroller'S Office	100,000H	.42	100,000H	-
24. Marlennan Corp< Putnam Management Co* Putnam Growth Fund Inc (85000)	85,000	.36	85,000	-
25. First National Bank Cincinnati	77,502	.32	79,452	-
26. Downe Communications Inc Founders Mutual Depositor Corp* Founders Mutual Fund (70257)	70,257	.29	70,257	-
27. Lehman Brothers Inc+ One William Street Fund Inc (70000)	70,000	.29	70,000	-
28. Schroders Ltd< (England) Schroder Trust Co International Holdings Corp (60000) Henry (J) Schroder Wage & Co Ltd Continental & Industrial Trust Ltd (7000)	67,000	.28	67,000	-
29. American Security & Trust Co (DC)	57,353	.24	59,403	-
30. Mercantile Trust Co NA (St Louis)	57,264	.24	57,264	-
31. Bank Of California NA	56,136	.23	73,040	-
32. Continental Illinois National Bank & Trust Co	55,786	.23	67,830	-
33. Boatman'S National Bank Of St Louis	55,523	.23	57,636	-
34. First Security Bank Of Utah	52,025	.22	54,045	-
35. Seattle-First National Bank	51,667	.21	77,317	-
36. First National City Bank-NY	50,935	.21	104,526	-
37. Transamerica Corp< (PT) Occidental Life Insurance Co (47400) Transamerica Insurance Co (1000) Transamerica Investment Management Co* Transamerica Capital Fund (2300)	50,700	.21	50,700	-
38. Keystone Custodian Funds Inc* Keystone Custodian Fds Series K-1 (10000) Keystone Custodian Fds Series S-2 (38000)	48,000	.20	48,000	-
39. Bankers Trust Co	45,983	.19	214,000	-
40. Eaton & Howard Inc* Eaton & Howard Balanced Fund (45400)	45,400	.19	45,400	-
41. Security Pacific National Bank	45,171	.19	76,971	-
42. Commercial National Bank Of Peoria	45,026	.19	53,878	-
43. Delaware Management Co Inc* Delaware Fund Inc (40000)	40,000	.17	40,000	-
44. New England Merchants National Bank	28,527	.12	88,440	-
45. Morgan Guaranty Trust Co	25,090	.10	76,092	-
46. Chase Manhattan Bank NA	21,000	.08	87,000	-
47. United States Trust Co	20,135X	.08	117,003X	-
48. Trust Company Bank (Georgia)	-	-	73,000	-
TOTALS	6,565,012	27.91%	7,291,345	

TOP 5 SHAREHOLDERS VOTE 9.51% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 14.75% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 18.61% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 21.42% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 23.40% OF THE STOCK.

UNITED BRANDS CO

200 Park Ave., New York, NY 10017

Incorporated: New Jersey
Fortune Rank: 83
Assets: $1,161,082
Total Debt: $463,464
Debt/Asset Ratio: 39.9%
Lease Commitments: $61,620
Number of Employees: 50,000
Operating Revenue: $2,020,526
Income: $2,090 (a)
Net Income: ($43,607)

Foreign Operating Revenue: 24.3%
Foreign Income: NA
Income Tax Rate: Tax paid on neg. inc.
Regulation: SEC

Principal Underwriter(s)

DT (1973)–Goldman, Sachs & Co; Paine, Webber

Legal Counsel(s)

Shea, Gould, Climenko, Kramer & Casey, NY: fees for 1973–NA;
Covington & Burling, DC: fees for 1975–NA

Transportation Subsidiaries

Fyffes Group Ltd (WC-CN)

Comments

Corporate Structure: Approximately 72% of Company's net assets are located outside the United States, including 53% in Central America. In 1975 approximately 51% of Company's banana supply originated in Panama, Costa Rica and Honduras. Company purchases an additional 12% of its bananas from 1 Philippino supplier and 11% from 1 Ecuadorian supplier. As of 1975 Company controlled 33% of the banana market in the United States and Canada, 41% in Europe and 14% in Japan. According to an insider, Company's main asset is its marketing operations. In January 1976 the Government of Panama purchased all of Company's agricultural land and leased part of it back to Company for 5 years. In August 1976 Company discontinued its commercial shipping operations out of the United States. Its fleet of 46 ships will now exclusively transport bananas. In 1975 Company moved its executive offices from New York to Boston where it has traditionally been based.

Changes in Corporate Control: As of May 1976 the American Financial Corp, represented on Company's board of directors by its chairman and president, Carl H. Lindner, had increased its interest in Company to 21% of its outstanding shares. As of December 1975 the Swedish shipping company Rederi AB Salenia owned more than 6% of Company voting stock. This shipping firm transported all the bananas marketed by Company in Northern Europe and Western United States in 1975 (see MARITIME FRUIT CARRIER CO LTD).

Payments Disclosure: In December 1976 Company made public the results of an internal investigation into its questionable payments. These included $1.25 million paid to government officials in Honduras to obtain favorable tax treatment, $200,000 in political contributions in a European country, rumored to be Italy, and a myriad of smaller payments in cash and kind to foreign government officials. The investigation was carried out in response to an SEC suit, brought in April 1975, which charged Company with failing to disclose the bribes. The suit was filed following an investigation of the February 1975 suicide of Company's chairman, Eli Black. Although the settlement to the suit enjoined Company from failing to disclose such payments in the future, Company's counsel stated in May 1976 that it was not bound to disclose "customary payments" abroad.

Business Lines	Percent of Operating Revenue	Percent of Income
Bananas & Related Products (including Maritime Transportation)	27.2%	(360.0%)
Meat Packing & Related Products	63.8	180.1
Food Processing & Services	5.1	75.4
U.S. Agribusiness	2.5	117.2
Other	1.4	255.9
Corporate Overhead Expenses	–	(168.8)

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Capital	10,775,562	1	10,775,562	28,677
$3 Pfd.	41,770	1	41,770	407
$1.20 Pref.	1,480,523	0.7	1,036,366	11,937
$3.20 Pref.	74,195	1	74,195	1,521
Total Votes Outstanding			11,927,893	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Millstein, Seymour & Paul Family Interests#	958,880G	8.04	958,880G	-
2. Rederi Ab Salenia (Sweden)	732,738	6.14	732,738	-
3. American Financial Corp< Great American Insurance Co (531500)	531,500	4.46	531,500	-
4. Delaware Management Co Inc* Delaware Fund Inc (336000)	336,000	2.82	336,000	-
5. Alleghany Corp< (PT) Investors Diversified Services Inc* Investors Stock Fund Inc (287000)	287,000	2.41	287,000	-
6. Madison Fund Inc	208,600	1.75	208,600	-
7. Fisher, Max M & Family Interests#	172,900G	1.45	172,900G	-
8. Schafler, Norman I & Family#	55,000G	.46	55,000G	-
9. Gardner, George P Jr & Associates#	34,840G	.29	34,840G	-
10. Lunt, Samuel D Sr#	24,316G	.20	24,316G	-
11. National Bank Of Tulsa	-	-	47,498	-
12. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (186100A)	-	-	-	186,100A
13. Paine Webber Jackson & Curtis Inc+	-	-	-	174,214A
14. Bache Halsey Stuart Inc+	-	-	-	156,172A
15. Loeb Rhoades & Co+	-	-	-	148,209A
16. Hornblower & Weeks-Hemphill Noyes Inc+	-	-	-	120,385A
17. Shearson Hayden Stone Inc<	-	-	-	109,768A
18. Hutton (E F) & Co Inc+	-	-	-	95,442A
19. Thomson Mckinnon Auchincloss Kohlmeyer Inc+	-	-	-	84,450A
20. Goldman Sachs & Co+	-	-	-	80,700A
21. Kidder Peabody & Co Inc+	-	-	-	71,993A
22. Reynolds Securities Inc+	-	-	-	65,957A
23. Shields & Co+	-	-	-	64,848A
24. Harris Upham & Co Inc+	-	-	-	63,567A
TOTALS	3,341,774	28.02%	3,389,272	

TOP 5 SHAREHOLDERS VOTE 23.86% GF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 28.02% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 28.02% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 28.02% OF THE STOCK.

UNITED GAS PIPE LINE CO

1500 Southwest Tower, Houston, TX 77002

Incorporated: Delaware
Fortune Rank: –
Assets: $565,037
Total Debt: $221,183
Debt/Asset Ratio: 39.1%
Lease Commitments: None
Number of Employees: 1,992
Operating Revenue: $607,711
Income: $33,999 (a)
Net Income: $20,205
Foreign Operating Revenue: None

Foreign Income: None
Income Tax Rate: 41.5%
Regulation: SEC, FPC

Principal Underwriter(s)

DT (1970)–White, Weld & Co; Lehman Brothers

Legal Counsel(s)

Sharon, Pierson, Semmes, Crolius & Finley, DC: fees for 1974–$728; Baker & Botts, TX: fees for 1974–$372; Brunini, Grantham, Grower & Hewes, MS: fees for 1974–$124

Transportation Subsidiaries – Sea Robin Pipeline Co (PG-UN)

Comments

Corporate Structure: In November 1975 the FPC approved a settlement to the 1974 spin-off of Company from its former parent Pennzoil Co. In August 1976 Company stockholders approved the creation of United Energy Resources Inc as the parent of Company and its subsidiaries. The stock conversion was 1-to-1.

Changes in Corporate Control: As part of the November 1975 FPC approval of Company's spin-off from Pennzoil Co, Pennzoil was forced to rescind the 1 million shares of preferred stock that it had received in the original agreement.

Major Transactions: Company purchases 11% of its gas from a subsidiary of Pennzoil Co, its former parent, and 15% from Sea Robin Pipeline Co (ST). This represents 50% of Sea Robin's production, of which 25% is originally obtained from a subsidiary of Pennzoil Co. Company sells 58% of its gas to 4 interstate pipeline companies. Company's major wholly-owned subsidiary, United Texas Transmission Co, sells 52% of its gas to the electric utility which operates in the Houston metropolitan area, and 23% to the gas utility which serves the Texas Gulf Coast. See also SOUTHERN NATURAL GAS CO, TEXAS GAS TRANSMISSION CORP, MISSISSIPPI RIVER CORP and PEOPLES GAS CO.

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	9,615,922	1	9,615,922	44,879
Pfd.	1,000,000	1	1,000,000	1
Total Votes Outstanding			10,615,922	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Texas Commerce Bank NA Pennzoil Co (1000000)	1,000,000	9.42	1,000,000	-
2. First National Bank Of Shreveport United Gas Pipeline Co Empls St Purchase Plan/1450 Participants (273065)	273,065	2.57	273,065	-
3. City Investing Co< Home Indemnity Co (24180) Home Insurance Co (112260) Seaboard Surety Co (21072)	157,512	1.48	157,512	-
4. Chocktow Corp	145,000	1.37	145,000	-
5. State Farm Mutual Automobile Insur< (74592) State Farm Fire & Casualty Co (31200) State Farm Life Insurance Co (6030)	111,822	1.05	111,822	-
6. First Pennsylvania Bank NA	77,799	.73	81,257	-
7. American Financial Corp< Great American Insurance Co (62400) Constellation Reinsurance Co (8640)	71,040	.66	71,040	-
8. Rockefeller Family Interests Rockefeller University (50000F)	50,000F	.47	50,000F	-
9. Security Benefit Life Insurance Co< Security Management Co Inc* Security Investment Fund (45000)	45,000	.42	45,000	-
10. Wellington Management Co* Windsor Fund Inc (38610)	38,610	.36	38,610	-
11. Banque De Neuflize Schlumberger Mallet-France Societe De Gestion* Interselex General Fund (30000)	30,000	.28	30,000	-
12. Northwestern Mutual Life Insurance Co	29,354	.27	29,354	-
13. First National City Bank (NY)	23,789	.22	27,449	124,934
14. Chase Manhattan Bank NA	1,000	.0	23,000	-
15. Merrill Lynch & Co Inc< Merrill Lynch Pierce Fenner & Sm+ (380812)	-	-	-	380,812
TOTALS	2,053,991	19.35%	2,083,109	

TOP 5 SHAREHOLDERS VOTE 15.89% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 18.56% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 19.35% OF THE STOCK.

UNITED PARCEL SERVICE OF AMERICA INC

643 W. 43rd St., New York, NY 10036

Incorporated: Delaware
Fortune Rank: 13 T NRF
Assets: $552,547
Total Debt: $27,968
Debt/Asset Ratio: 5.1%
Lease Commitments: None
Number of Employees: 67,900
Operating Revenue: $1,303,252
Income: $77,437 (a)
Net Income: $45,414
Foreign Operating Revenue: Insignificant
Foreign Income: Insignificant
Income Tax Rate: 45.2%
Regulation: SEC

Principal Underwriter(s)

NA

Legal Counsel(s)

Schnader, Harrison, Segal & Lewis, PA: fees for 1974–$968

Transportation Subsidiaries

United Parcel Service Co (FF-CN)
United Parcel Service Inc (OH) (MC-CN)
United Parcel Service Inc (NY) (MC-CN)

Comments

Corporate Structure: In July 1975 the ICC authorized Company to operate in all 48 contiguous states of the United States. Company also filed for ICC authority to merge its 2 principal subsidiaries. In 1976 Company opened its first foreign subsidiary in West Germany.

Changes in Corporate Control: During 1975 Company purchased 1,902,863 shares of common stock from its shareholders, distributed 695,607 shares to its Manager Stock Trust under its Managers Incentive Plan, and issued 809,187 shares in dividends to its shareowners of record.

Major Transactions: See TIGER INTERNATIONAL INC.

Labor: In 1974 Company was struck by Teamster locals for 84 days in New York and 20 days in southern California. In June 1975 a Teamster local carried out a 4-day wildcat strike against Company in New Jersey. In September 1976, 17,000 Company employees belonging to 79 Teamster locals struck Company in 15 Eastern states to prevent it from replacing full-time workers with part-time workers. The employees also claim that Company has used its Thrift Plan, a pension and saving plan to which both full and part-time workers contribute, as a source of financing expansion and automation in order to reduce the number of full-time workers. The strike was settled and a new contract signed in December 1976. Company backed down on the part-timers issue and the union gave up on its demand to control pension funds of part-time workers.

Legal Proceedings: Company is the subject of several antitrust suits brought by other motor carriers and transportation companies charging it with monopolizing the small parcel business and delivery service in all or part of the country.

Business Lines	Percent of Operating Revenue	Percent of Income
Trucking	90%+	90%+

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Capital	41,453,729	1	41,453,729	863

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Fidelity Union Trust Co Ups Managers Stock Tr/6404 Participants (18113307)	18,113,296	43.70	18,113,296	-
2. Nuparmac Corp	1,389,750E	3.35	1,389,750E	-
3. Parmac Corp	1,288,860E	3.11	1,288,860E	-
4. Casey, James E#	1,017,924E	2.46	1,017,924E	-
5. Oberkotter Family# Oberkotter, Harold (380000E) Oberkotter, Paul (410478E)	790,478E	1.91	790,478E	-
6. Seattle-First National Bank	762,238	1.84	915,510	-
7. Parco Managers Corp	328,280E	.79	328,280E	-
8. Bank Of California NA	196,579	.47	196,579	-
9. Mclaughlin, James P#	185,912E	.44	185,912E	-
10. United States National Bank Of Oregon	180,430	.43	181,702	-
11. Bank Of America NTSA	173,859	.41	173,859	-
12. Davis, Preston W#	167,248E	.40	167,248E	-
13. Foreman, Charles W L#	126,699E	.30	126,699E	-
14. First National City Bank (NY)	107,505	.25	107,505	-
15. United States Trust Co	-	-	519,079X	-
16. Security Pacific National Bank	-	-	147,454	-
17. Western Bancorporation< First National Bank Of Arizona (107038)	-	-	107,038	-
TOTALS	24,829,056	59.90%	25,757,184	

TOP 5 SHAREHOLDERS VOTE 54.52% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 58.51% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 59.90% OF THE STOCK.

UNITED STATES STEEL CORP

600 Grant St., Pittsburgh, PA 15230

Incorporated: Delaware
Fortune Rank: 12
Assets: $7,717,400
Total Debt: $2,007,700
Debt/Asset Ratio: 26%
Lease Commitments: $230,000
Number of Employees: 187,503
Operating Revenue: $9,337,600
Income: $1,402,000 (b)
Net Income: $634,900
Foreign Operating Revenue: NA

Foreign Income: NA
Income Tax Rate: 31%
Regulation: SEC

Principal Underwriter(s) DT (1971)–Morgan Stanley & Co

Legal Counsel(s)

White & Case, NY: fees for 1974–$571; Arnold & Porter, DC: fees for 1974–NA

Transportation Subsidiaries

Elgin Joliet & Eastern Ry Co (RR-CN)

Comments

Corporate Structure: Company owns Duluth Missabe & Iron Range Ry Co, and Bessemer & Lake Erie RR Co, the 33rd and 35th largest U.S. railroads respectively. Company also owns 2 river barge lines with 593 barges an 2 ocean watter carriers for the transportation of steel and iron products and bulk materials. In December 1974 the Venezuelan government terminated all of Company's mining concessions and nationalized almost all of its assets. In conjunction with this nationalization, one of Company's water carriers, Navios Corp, entered into an agreement with a Venezuelan government-owned shipping company to transport on a year-to-year basis a significant portion of Venezuelan-produced iron ore products. See also ATLANTIC RICHFIELD CO.

Capital Structure: In May 1976 Company stockholders approved a 3-for-2 split of Company's common stock, and an increase in the authorized common shares from 90 to 150 million.

Labor: In 1974 Company settled hundreds of complaints and suits charging it with sex and racial discrimination and paid $31 million in back wages to minority and female workers, the largest settlement achieved under equal employment opportunity legislation.

Payments Disclosure: In September 1976 Company disclosed that President Ford had been a Company guest at golfing weekends at a Company lodge while he was a U.S. Representative.

Business Lines	Percent of Operating Revenue	Percent of Income
Steel	82.7%	54.5%
Fabricating & Engineering	8.1	4.2
Chemicals	7.8	20.6
Transportation (Railroads & Barge Lines)	6.8	15.3
Cement & Other	2.6	0.5
Interest, Dividends & Other Income	1.6	4.9
Intracompany Sales	(9.7)	–

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	54,169,462	1	54,169,462	291,376

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. United States Steel Savings Pl-Salaried Empls (26223 Participants)	6,809,524	12.57	6,809,524	-
2. Alleghany Corp< (PT)	866,000	1.60	866,000	-
IDS Life Insurance Co (66000)				
Investors Diversified Services Inc*				
Investors Stock Fund Inc (800000)				
3. Lord Abbett & Co*	600,000	1.11	600,000	-
Affiliated Fund Inc (600000)				
4. New York State Teachers' Retirement System	324,700	.59	324,700	-
5. Kemper Family Group	281,900	.52	281,900	-
American Manufacturers Mutual Insur (11000)				
American Motorists Insurance Co (7000)				
Citizens Life & Casualty Insurance (300)				
Economy Fire & Casualty Co (6000)				
Federal Kemper Insurance Co (1500)				
Fidelity Life Association (2000)				
Iowa Kemper Insurance Co (1400)				
Kemper Reinsurance Co (4000)				
Lumbermans Mutual Casualty Co (60000)				
National Automobile & Casualty Insur (1000)				
Sequoia Insurance Co (1200)				
Supervised Investors Services Inc*				
Technology Fund (150000)				
Supervised Investors Growth Fund (25000)				
Supervised Investors Income Fund (10000)				
American Equity Fund Inc (1500)				
6. Equitable Life Assurance Society Of The US	281,370	.51	281,370	-
7. International Telephone & Telegraph Corp<	265,000	.48	265,000	-
Hamilton Management Corp*				
Hamilton Funds Inc (225000)				
Hamilton Growth Fund Inc (10000)				

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
Hamilton Income Fund Inc (30000)				
8. State Farm Mtl Automobile Insur Co< (126900)	212,000	.39	212,000	-
State Farm Fire & Casualty Co (43900)				
State Farm Investment Management Corp*				
State Farm Growth Fund Inc (41200)				
9. Robeco* (Netherlands)	200,000	.36	200,000	-
10. Capital Research & Management Co*	175,000	.32	175,000	-
Investment Co Of America (70000)				
Washington Mutual Investors Fund (105000)				
11. Continental Illinois National Bank & Trust Co	153,101	.28	166,087	-
12. Penn Square Management Corp*	150,000	.27	150,000	-
Penn Square Mutual Fund (150000)				
13. Piedmont Management Co Inc<	137,900	.25	137,900	-
Lexington Management Corp*				
Lexington Research Fund Inc (100000)				
Corporate Leaders Trend Fund B (37900)				
14. Dreyfus Corp*	127,400	.23	127,400	-
Dreyfus Fund Inc (112400)				
Dreyfus Special Income Fund Inc (15000)				
15. Wellington Management Co*	119,100	.21	119,100	-
Wellington Fund Inc (119100)				
16. Yale University	118,500F	.21	118,500F	-
17. Chemical Bank	108,339	.20	216,000	-
18. Calvin Bullock Ltd*	100,500	.18	100,500	-
Dividend Shares Inc (40000)				
Bullock Fund Ltd (40000)				
Nation-Wide Securities Co Inc (15000)				
Carriers & General Corp (5500)				
19. Gates Rubber Co< (PT)	100,000	.18	100,000	-
Financial Programs Inc*				
Financial Dynamics Fund Inc (10000)				
Financial Industrial Fund Inc (70000)				
Financial Industrial Income Fund (20000)				
20. Massachusetts Financial Services Inc*	100,000	.18	100,000	-
Massachusetts Investors Trust (100000)				
21. Oppenheimer & Co+	100,000	.18	100,000	-
Oppenheimer Management Corp*				
Oppenheimer Fund Inc (100000)				
22. Pioneer Western Corp<	100,000	.18	100,000	-
Pioneering Management Corp*				
Pioneer Fund Inc (100000)				
23. Ford Foundation	100,000D	.18	100,000D	-
24. Chase Manhattan Bank NA	12,000	.02	175,000	-
25. Bankers Trust Co	-	-	209,000	-
26. Morgan Guaranty Trust Co	-	-	118,316	-
TOTALS	11,542,334	21.31%	12,153,297	

TOP 5 SHAREHOLDERS VOTE 16.40% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 18.49% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 19.76% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 20.73% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 21.31% OF THE STOCK.

UNITED TRANSPORTATION INVESTMENT CO

1205 S. Platte River Dr., Denver, CO 80223

Incorporated: Delaware
Assets: $17,191
Total Debt: $2,611
Debt/Asset Ratio: 15.2%
Regulation: ICC

Transportation Subsidiaries

NAVAJO FREIGHT LINES INC (MF-UN)

Control

David H. Ratner & Family# (100%)

Comments

Corporate Structure: In January 1975 the ICC ordered NAVAJO FREIGHT LINES INC, a Company subsidiary, to divest itself of its 27% stock ownership interest in GARRETT FREIGHTLINES INC on the grounds that it violated certain antitrust provisions of the Clayton Act. NAVAJO is appealing the order. NAVAJO had pledged this stock as security for a $4.8 million bank credit.

Stock Structure (Private)

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	75,000	1	75,000	4
1st Pfd.	200,000	1	200,000	1
Total Votes Outstanding			275,000	

UNITED VAN LINES INC

1 United Dr., Fenton, MO 63026

Incorporated: Missouri
Fortune Rank: –
Assets: $18,102
Total Debt: $3,345
Debt/Asset Ratio: 18.5%
Lease Commitments: NA
Number of Employees: 420 (approx.)
Operating Revenue: $141,797
Income: $1,360 (b)
Net Income: $846
Foreign Operating Revenue: NA
Foreign Income: NA
Income Tax Rate: 44.1%
Regulation: ICC

Principal Underwriter(s) NA

Legal Counsel(s)

NA

Transportation Subsidiaries

None

Control

Private Company controlled by 187 operators, each owning 45 shares of common stock.

Comments

Changes in Corporate Control: As of December 31, 1975 the number of operators controlling Company was reduced to 131.

Business Lines	Percent of Operating Revenue	Percent of Income
Trucking	71.9%	NA
Other Operations	26.2	NA
Miscellaneous	1.9	NA

WALTER KIDDE & CO INC

9 Brighton Rd., Clifton, NJ 07015

Incorporated: Delaware
Fortune Rank: 180
Assets: $853,039
Total Debt: $260,314
Debt/Asset Ratio: 30.5%
Lease Commitments: $72,300
Number of Employees: 37,000
Operating Revenue: $1,107,167
Income: $100,073 (a)
Net Income: $39,921
Foreign Operating Revenue: 11.5%
Foreign Income: NA
Income Tax Rate: 42.7%
Regulation: SEC, ICC & FMC (United States Lines Inc)

Principal Underwriter(s)

DT–Goldman, Sachs & Co

Legal Counsel(s)

NA

Transportation Subsidiaries

United States Lines Inc (WC-UN)

Comments

Corporate Structure: Company is the leading U.S. manufacturer of cargo containers and a major producer of truck trailers. In December 1976 Company concluded the terms of the sale of United States Lines Inc (ST) (see RJ REYNOLDS INDUSTRIES INC). In recent years Company has been the target of aborted take-over attempts by Loews Corp and Sun Chemical Corp.

Changes in Corporate Control: In 1976 Teledyne Inc acquired 19% of Company's stock.

Major Transactions: Company is the leading world supplier of aircraft interior equipment with United Air Lines Inc (ST), PAN AMERICAN WORLD AIRWAYS INC, NATIONAL AIRLINES INC, Braniff Airways Inc (ST) and Hughes Air Corp (ST) among its major customers. United States Lines Inc charters 17 of its 39 vessels to the Military Sealift Command of the U.S. Navy. In 1975 Company was the 69th largest defense contractor with almost $81 million in revenues from military contracts.

Payments Disclosure: In March 1977 United States Lines Inc disclosed details of questionable payments made since 1970, including (1) $5,000 paid to an elected U.S. government official "in an attempt to ensure passage of favorable legislation," (2) $2 million in direct rebates to shippers, (3) between $400,000 and $600,000 in noncash rebates to shippers through shortweighing of cargoes and other procedures, and (4) $82,000 in cash for other purposes, including $34,000 "which may have been used to resolve labor problems." The rebate payments had been under investigation by two federal grand juries and the Federal Maritime Administration since last year. Company also disclosed about $1 million in questionable domestic and foreign payments, and accounting procedures made by 6 other subsidiaries since 1970.

Business Lines	Percent of Operating Revenue	Percent of Income
Security & Protection Equipment, Security Guard Services	35.0%	36.8%
Consumer & Commercial Products	29.7	23.2
Cranes, Truck Trailers, Cargo Containers, Auto Components & Aircraft Equip.	34.9	39.9
Discontinued Operations	0.5	0.1

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (2-24-75)
Common	9,561,232	1	9,561,232	17,105
Ser. A Pref.	222,115	1	222,115	3,574
Ser. B Pref.	257,270	1	257,270	4,256
Total Votes Outstanding			10,040,617	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Madison Fund Inc	668,700	6.66	668,700	-
2. Sun Chemical Corp	542,900E	5.41	542,900E	-
3. Washington National Corp<	500,000	4.98	500,000	-
Anchor Corp*				
Fundamental Investors Inc (300000)				
Anchor Growth Fund Inc (200000)				
4. Delaware Management Co Inc*	480,000	4.78	480,000	-
Delaware Fund Inc (480000)				
5. Wellington Management Co*	382,100	3.81	382,100	-
Windsor Fund Inc (302100)				
Exeter Fund (60000)				
Gemini Fund Inc (20000)				
6. Continental Investment Corp<	351,300	3.50	351,300	-
Waddell & Reed Inc*				
United Accumulative Fund (233200)				
United Income Fund (118100)				
7. Midatlantic National Bank/Citizens	173,458	1.73	173,517	-
8. Walter, Carl W & Family#	110,128	1.10	110,128	-
9. Keystone Custodian Funds Inc*	100,000	.99	100,000	-
Keystone Custodian Fds Ser S-4 (100000)				
10. Elfun Trusts	85,000	.84	85,000	-
11. Kidde, John F#	72,100E	.71	72,100E	-
12. Morgan Walter E Jr#	56,000E	.55	56,000E	-
13. Reserve Life Insurance Co (38000)	56,000	.55	56,000	-
Midland National Life Insurance Co (11000)				
Westland Life Insurance Co (7000)				
14. Dreyfus Corp*	51,800	.51	51,800	-
Dreyfus Fund Inc (51800)				
15. Avco Corp<	47,918	.47	47,918	-
Paul Revere Life Insurance Co (47918)				
16. Sullivan, Fred R#	46,611E	.46	46,611E	-
17. Philadelphia National Bank	30,000	.29	30,000	-
18. Braemer, Fred E#	23,423	.23	23,423	-
19. Eaton Financial Services Ltd (Canada)	20,000	.19	20,000	-
Eaton Fund Management Ltd*				
Eaton Venture Fund Ltd (20000)				
20. Stewart Fund Managers Ltd* (Scotland)	19,731	.19	19,731	-
Scottish American Investment Co (19731)				
21. National Shawmut Bank Of Boston	19,107	.19	19,107	-
22. New England Merchants National Bank	-	-	26,047	-
TOTALS	3,836,276	38.21%	3,862,382	

TOP 5 SHAREHOLDERS VOTE 25.63% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 33.80% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 36.63% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 38.02% OF THE STOCK.

WASHINGTON GAS LIGHT CO

1100 H St. N.W., Washington, DC 20080

Incorporated: District of Columbia

Fortune Rank: –

Assets: $402,533

Total Debt: $199,708

Debt/Asset Ratio: 49.6%

Lease Commitments: None

Number of Employees: 2,804

Operating Revenue: $192,674

Income: $21,601 (a)

Net Income: $13,209

Foreign Operating Revenue: None

Foreign Income: None

Income Tax Rate: 27%

Regulation: SEC, FPC

Principal Underwriter(s)

S (1971)–First Boston Corp; Johnston, Lemon & Co

Legal Counsel(s)

Morgan, Lewis & Bockius, DC: fees for 1974–$26; Whiteford, Hart, Carmody & Wilson, DC: fees for 1974–$25

Transportation Subsidiaries

None

Comments

Major Transactions: Company purchases 85% of its gas from COLUMBIA GAS SYSTEM INC and 15% from Transcontinental Gas Pipeline Corp (ST).

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	4,268,388	1	4,268,388	22,109
Pfd. $4.25	70,600	1	70,600	1,323
Pfd. $5.00	60,000	1	60,000	613
Pfd. $4.80	150,000	1	150,000	495
Pfd. $4.60	5,478	1	5,478	877
Pfd. $4.36	61,857	1	61,857	2,773
Total Votes Outstanding			4,616,323	

WASHINGTON GAS LIGHT CO

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. National Savings & Trust Co (DC)	87,083	1.89	89,062	-
2. Harvard University	58,000B	1.26	58,000B	-
3. Capital Research & Management Co*	55,500	1.20	55,500	-
Washington Mutual Investors Fund (55500)				
4. American Security & Trust Co (DC)	35,968	.77	40,359	9,889D
5. Savings Banks Trust Co	19,300D	.41	19,300D	-
6. Acacia Mutual Life Insurance Co (DC)	17,500	.37	17,500	-
7. Continental Corp<	16,150	.34	16,150	-
National-Ben Franklin Life Insur (16150)				
8. Keystone Steel Products Corp	15,900D	.34	15,900D	-
9. Crum & Foster<	15,000	.32	15,000	-
Industrial Indemnity Co (15000)				
10. SAFECO Corp<	12,917	.27	12,917	-
SAFECO Life Insurance Co (12917)				
11. Fulton National Bank Of Atlanta	10,967	.23	12,975	-
12. Riggs National Bank (DC)	10,898	.23	15,515	-
13. Richmond Corp<	8,400	.18	8,400	-
Life Insurance Co Of Virginia (8400)				
14. National Bank Of Washington (DC)	-	-	42,505	-
15. Mellon Bank NA	-	-	10,000	-
16. Merrill Lynch & Co Inc<	-	-	-	38,656D
Merrill Lynch Pierce Fenner & Sm+ (38656D)				
TOTALS	363,583	7.88%	429,083	

TOP 5 SHAREHOLDERS VOTE 5.54% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 7.22% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 7.88% OF THE STOCK.

WESTERN AIR LINES INC

6060 Avion Dr., Los Angeles, CA 90009

Incorporated: Delaware
Fortune Rank: 21 T
Assets: $396,825
Total Debt: $137,380
Debt/Asset Ratio: 34.6%
Lease Commitments: $170,331
Number of Employees: 9,424
Operating Revenue: $488,397
Income: $38,360 (a)
Net Income: $24,098
Foreign Operating Revenue: Insignificant
Foreign Income: Insignificant
Income Tax Rate: 42.4%
Regulation: SEC, CAB

Principal Underwriter(s)

S (1973)—Salomon Brothers

Legal Counsel(s)

Darling, Hall, Rae & Gute (Gen. Couns.), CA: fees for 1974—$153; Bronson, Bronson & McKinnon, CA: fees for 1974—$88; Basham, Ringe y Correa, Mexico: fees for 1974—$32

Transportation Subsidiaries

None

Comments

Changes in Corporate Control: In April 1976 Company stockholders approved a plan to purchase all of the 2,508,832 shares of common stock held by Kirk Kerkorian. Company was advised in the purchase agreement by Salomon Brothers, a New York investment bank. The sale was made amidst rumors that Howard Hughes of Hughes Air Corp (ST) and Edward Daly, the owners of World Airways Inc, the 24th largest U.S. airline, were also bidding to acquire Kerkorian's stock.

Legal Proceedings: See NORTHWEST AIRLINES INC.

Business Lines

Business Lines		Percent of Operating Revenue	Percent of Income
Airline:	passenger	89.5%	NA
	freight	5.7	NA
	other	4.8	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Capital	15,159,000	1	15,159,000	18,000

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Kerkorian, Kirk#	2,508,832	16.55	2,508,832	-
2. First National Bank Of Chicago	681,075	4.49	769,820	175,606
3. Dreyfus Corp*	532,919	3.52	532,919	-
Dreyfus Fund (439919)				
Dreyfus Leverage Fund (100000)				
4. National Aviation Corp	417,242	2.75	417,242	-
5. Morgan Guaranty Trust Co	337,200	2.22	337,200	49,234
6. Keystone Custodian Funds Inc*	300,000	1.98	300,000	-
Keystone Custodian Fds S-4 (300000)				
7. Woodley, Arthur G#	187,580	1.24	187,580	-
8. Dwerlkotte, Leo H#	160,860	1.06	160,860	-
9. Calvin Bullock Ltd*	150,000	.98	150,000	-
Bullock Fund (150000)				
10. International Telephone & Telegraph Corp<	150,000	.98	150,000	-
Hamilton Management Corp*				
Hamilton Funds Inc (150000)				
11. Allendale Group<	119,222	.78	119,222	-
Allendale Mutual Insurance Co (103000)				
Appalachian Insur Co Of Providence (16222)				
12. Gates Rubber Co< (PT)	82,400	.54	82,400	-
Financial Programs Inc*				
Financial Dynamics Fund (30900)				
Financial Industrial Fund (30900)				
Financial Venture Fund (20600)				
13. Donaldson Lufkin & Jenrette Inc<	65,705	.43	65,705	-
Alliance Capital Management Corp*				
Fiduciary Growth Associates (65705)				
14. Republic National Bank Of Dallas	56,650	.37	56,650	-
15. Eaton & Howard Inc*	55,697	.36	55,697	-
Eaton & Howard Special Fund (55697)				
16. Phillips Hager & North Ltd* (Canada)	48,934	.32	48,934	-
Phillips Hager & North Fund (15945)				
Phillips Hager & North Pld Pn Fd (25956)				
NW Equity Fund (7033)				
17. Drexel Burnham & Co Inc< (58698B)	32,445	.21	32,445	58,698B
Drexel Funds Management Co*				
Burnham Fund (32445)				
18. American Mutual Liability Insur Co (22783)	30,397	.20	30,397	-
American Mutual Insur Co Of Boston (7614)				
19. Jefferson-Pilot Corp<	30,327	.20	30,327	-
Jefferson Standard Life Insur Co (30327)				
20. Minnesota, University Of	27,848F	.18	27,848F	-
21. Continental Illinois National Bank & Trust Co	12,819	.08	12,819	84,781
22. Boston Safe Deposit & Trust Co	-	-	2,893	51,280B
23. Merrill Lynch & Co Inc<	-	-	-	638,629B
Merrill Lynch Pierce Fenner & Sm+ (638629B)				
24. Chase Manhattan Bank NA	-	-	-	257,832B
25. Dean Witter & Co+	-	-	-	239,896B
26. Bankers Trust Co	-	-	-	206,202B
27. First National Bank Of Denver	-	-	-	195,875B
28. Hutton (E F) & Co+	-	-	-	189,146B
29. Union Bank (Los Angeles)	-	-	-	181,105B
30. Manufacturers Hanover Trust Co	-	-	-	142,792B
31. New England Merchants National Bank	-	-	-	130,000B
32. Hornblower & Weeks-Hemphill Noyes Inc+	-	-	-	111,315B
33. Bartman Brothers+	-	-	-	104,279B
34. Loeb Rhoades & Co+	-	-	-	97,554B
35. Paine Webber Jackson & Curtis Inc+	-	-	-	80,678B
36. INA Corp<	-	-	-	80,333B
Blyth Eastman Dillon & Co+ (80333B)				
37. Bache Halsey Stuart Inc+	-	-	-	76,555B
38. Canada Permanent Mortgage Co<	-	-	-	75,000B
Canada Permanent Trust Co (75000B)				
39. Pershing & Co+	-	-	-	73,989B
40. Chemical Bank	-	-	-	71,715B
TOTALS	5,988,152	39.50%	6,079,790	

TOP 5 SHAREHOLDERS VOTE 29.54% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 35.79% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 38.30% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 39.42% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 39.50% OF THE STOCK.

WESTERN PACIFIC INDUSTRIES INC

400 Park Ave., New York, NY 10022

Incorporated: Delaware
Fortune Rank: –
Assets: $241,920
Total Debt: $39,655
Debt/Asset Ratio: 16.4%
Lease Commitments: $56,918
Number of Employees: 3,017
Operating Revenue: $107,404
Income: $3,845 (a)
Net Income: $5,019
Foreign Operating Revenue: See Comments
Foreign Income: NA
Income Tax Rate: 23.5%
Regulation: SEC

Principal Underwriter(s)

S (1971)–Dean Witter & Co; Bear Stearns & Co

Legal Counsel(s)

Zimet, Haines, Moss & Goodkind (Gen. Couns.), NY: fees for 1974–$40

Transportation Subsidiaries

Western Pacific RR Co (RR-CN)

Comments

Corporate Structure: In December 1974 Company acquired a 44.5% interest in Veeder Industries Inc and merged it into a subsidiary in June 1976. Veeder is a manufacturer of counting, controlling, indicating and recording devices, and industrial precision components. Veeder had 1975 operating revenues of $186 million, 10.7% of which came from foreign operations.

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (3-7-75)
Common	3,168,243	1	3,168,243	6,295

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Union Pacific Corp (PT)	199,599	6.30	199,599	–
2. Newman, Howard A#	132,218E	4.17	132,218E	–
3. Neuberger & Berman+	50,000	1.58	50,000	–
Cedar Street Consultants Inc*				
Energy Fund Inc (50000)				
4. American Financial Corp<	29,000	.91	29,000	–
Great American Life Insurance Co (29000)				
5. Perlman, Alfred E#	20,000E	.63	20,000E	–
6. Signal Insurance Co (5000)	9,000	.28	9,000	–
Imperial Insurance Co (4000)				
TOTALS	439,817	13.88%	439,817	

TOP 5 SHAREHOLDERS VOTE 13.60% OF THE STOCK.

WILLIAMS COS

320 S. Boston, Tulsa, OK 74103

Incorporated: Nevada
Regulation: SEC
Fortune Rank: 205
Assets: $1,285,898
Total Debt: $550,627
Debt/Asset Ratio: 42.8%
Lease Commitments: $150,129
Number of Employees: 8,955
Operating Revenue: $993,408
Income: $218,000 (a)
Net Income: $95,629
Foreign Operating Revenue: 6.4%
Foreign Income: 3.2%
Income Tax Rate: 43.1%

Principal Underwriter(s)

S (1972)--Lehman Brothers; White, Weld & Co; Reynolds Sec.

Legal Counsel(s)

Hall, Estill, Hardwick, Gable, Collingsworth & Nelson (Gen. Couns.), OK: fees for 1974–NA; Arnold & Porter, DC: fees for 1974–NA

Transportation Subsidiaries

Williams Pipe Line Co (PO-CN)

Comments

Corporate Structure: In 1974 Company formed a new subsidiary, Williams Exploration Co, to manage and develop its oil and gas properties. In 1975 Company sold its merchandising and pipeline construction subsidiaries. The discontinuance of its pipeline construction operations, the largest in the United States, will be finalized upon the 1976 completion of its contract to build one third of the Alaska pipeline. This subsidiary was also a major contractor for pipeline projects in Peru, Algeria, Lybia, Nigeria, Oman and Saudi Arabia. In 1976 Company will begin operating an intrastate gas pipeline in Louisiana. Company owns a 20.8% interest in the parent holding company of the Bank of Oklahoma NA, a commercial bank with 1975 assets of over $700 million.

Joint Ventures: In 1975-76 Company engaged in joint venture fertilizer operations in South Korea, Jordan, Ireland and Brazil, and is negotiating a similar joint venture in Pakistan. Company, Newmont Mining Corp, Bechtel Corp, Fluor Corp and Equitable Life Assurance Society of the U.S. formed Peabody Holding Co which in November 1976 agreed to acquire Peabody Coal Co from Kennecott Copper Corp. The acquisition, which excludes Peabody's Australian operations and will cost $1.1 billion, is subject to FTC approval. In December 1976 Uranium Enrichment Associates, a joint venture between Company, Bechtel Group and Goodyear Tire & Rubber Co, suspended plans to build the first uranium enrichment plant in the U.S. private sector at a cost of over $3.5 billion.

Payments Disclosure: In December 1976 Company disclosed that certain discontinued operations had made questionable foreign payments totalling $854,225.

Business Lines	Percent of Operating Revenue	Percent of Income
Fertilizer	46.5%	64.2%
Oil Products Pipeline	6.9	14.6
Pipeline Construction	5.4	2.2
Liquified Petroleum Gas	12.9	5.0
Metals	17.0	10.1
Merchandising	11.2	4.4
Investments	–	(0.5)

Stock Structure

Class	Shares Outstanding (3-14-75)	Votes per Share	Total Votes per Class	Stockholders of Record (3-14-75)
Common	21,514,817	1	21,514,817	5,612
Pfd.	273,272	1.8	491,900	1,345
Total Votes Outstanding			22,006,717	

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Williams Family#	1,595,656E	7.25	1,595,656E	-
Williams, John H (537416E)				
Williams, Joseph H (119090E)				
Williams, Charles P (939150E)				
2. Fidelity Management & Research Co*	1,111,600	5.05	1,111,600	-
Fidelity Fund Inc (461600)				
Fidelity Trend Fund Inc (392000)				
Fidelity Capital Fund Inc (232000)				
Essex Fund Inc (22000)				
Magellan Fund Inc (4000)				
3. National Bank Of Tulsa	827,144	3.76	1,959,664	-
4. Boston Safe Deposit & Trust Co	798,794	3.63	889,534	26,720
Douglas T Johnston & Co Inc*				
Johnston Mutual Fund Inc (200000)				
5. Bankers Trust Co	559,385	2.54	710,000	-
6. Mutual Life Insurance Co Of NY (494600)	518,600	2.36	518,600	-
Mony Advisers Inc*				
Mony Fund Inc (24000)				
7. Alleghany Corp< (PT)	436,000	1.98	436,000	-
IDS Life Insurance Co (36000)				
Investors Diversified Services Inc*				
Investors Stock Fund Inc (400000)				
8. Yale University	392,000B	1.78	392,000B	-
9. Continental Investment Corp<	375,000	1.70	375,000	-
Waddell & Reed Inc*				
United Accumulative Fund (200000)				
United Science Fund (83000)				
United Funds Management Corp*				
United Accumulative Fund Ltd (80000)				
United Accumulative Retirement Fd (8000)				
United American Fund Ltd (4000)				
10. Ford Foundation	333,200C	1.51	333,200C	-
11. Lundberg, Kenneth F#	304,000E	1.38	304,000E	-
12. Northwestern National Bank Of Minneapolis	289,300	1.31	290,100	-
13. Bank Of America NTSA	242,600	1.10	244,080	-
14. Jones, Marvin E#	223,182E	1.01	223,182E	-
15. Robeco* (Netherlands)	200,000C	.90	200,000C	-
Rolinco (200000C)				
16. Dreyfus Corp*	182,600	.82	182,600	-
Dreyfus Fund Inc (142600)				
Dreyfus Intercontinental Invest (40000)				
17. Harvard University	162,000B	.73	162,000B	-
18. Delaware Management Co Inc*	160,000	.72	160,000	-
Delaware Fund Inc (160000)				
19. Keystone Custodian Funds Inc*	145,600	.66	145,600	-
Keystone Custodian Fds Series K-2 (67800)				
Keystone Custodian Fds Series S-3 (63000)				
Constitution Fund (14800)				

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not identified
20. Lincoln Consolidated Inc<	140,000	.63	140,000	-
Funds Inc*				
Industries Trend Fund Inc (100000)				
Pilot Fund (40000)				
21. Franklin Resources Inc<	135,900	.61	135,800	-
Franklin Research Inc*				
Research Equity Fund Inc (135800)				
22. First National Bank Of Chicago	106,680	.48	106,680	-
23. Aetna Life & Casualty Co	100,800	.45	100,800	-
Aetna Life Insurance Co (94800)				
Aetna Investment Management Inc*				
Aetna Fund Inc (6000)				
24. Wells Fargo Bank NA	100,796	.45	107,396	-
25. Chestnutt Corp*	93,200	.42	93,200	-
American Investors Fund Inc (93200)				
26. INA Corp<	90,000	.40	90,000	-
Insurance Co Of North America (90000)				
27. United States National Bank Of Oregon	88,080	.40	88,080	-
28. Liberty Natl Bank & Trust Co (Oklahoma City)	86,608	.39	86,608	-
Williams Co Empls Investment Plan (86608)				
29. Minnesota Mutual Life Insurance Co	85,200	.38	85,200	-
30. Dillon Read & Co Inc+	83,000	.37	83,000	-
United States & Foreign Securities (83000)				
31. Continental Illinois National Bank & Trust Co	82,400	.37	84,100	-
32. Baker Fentress & Co	80,000	.36	80,000	-
33. Fahnestock & Co+	80,000	.36	80,000	-
Fahnestock Advisory Corp*				
Philadelphia Fund Inc (80000)				
34. Morgan Guaranty Trust Co	79,900	.36	82,625	-
35. Elfun Trusts	74,000	.33	74,000	-
36. New England Mutual Life Insurance Co (23000)	70,200	.31	70,200	-
Loomis Sayles & Co Inc*				
Loomis Sayles Capital Devel Fd (23200)				
New England Life Side Fund Inc (24000)				
37. American General Insurance Co<	70,000	.31	70,000	-
American General Capital Management Inc*				
Harbor Fund Inc (50000)				
Channing Securities Inc (20000)				
38. First Investors Management Co*	66,000	.29	66,000	-
First Investors Fund For Growth (12000)				
First Investors Fund Inc (54000)				
39. United Bank Of Denver NA	64,000	.29	64,000	-
40. Marlennan Corp<	60,400	.27	60,400	-
Putnam Management Co*				
Putnam Mariner Fund Inc (400)				
Putnam Vista Fund Inc (60000)				
41. AGF Management Ltd* (Canada)	58,500	.26	58,500	-
American Growth Ltd (50000)				
AGF Special Fund Ltd (4500)				
Corporate Investors Stock Fund Ltd (4000)				
42. Reliance Group Inc<	55,800	.25	55,800	-
Reliance Insurance Co (52400)				
Reliance Standard Life Insurance Co (3400)				
43. Control Data Corp<	54,000	.24	54,000	-
American Health & Life Insurance Co (30000)				
Calvert Fire Insurance Co (24000)				
44. Calvin Bullock Ltd*	50,000	.22	50,000	-
Bullock Fund Ltd (50000)				
45. Tisch Family Group-Loews Corp<	48,400	.21	48,400	-
Continental Casualty Co (32000)				
CNA Management Corp*				
Schuster Fund (16000)				
Fundex Inc (400)				
46. Banque Nationale De Paris	48,400	.21	48,400	-
Epargne-Croissance (16400)				
Epargne-Valeur (32000)				
47. Reserve Life Insurance Co (22000)	42,000	.19	42,000	-
Midland National Life Insurance Co (10000)				
Westland Life Insurance Co (10000)				
48. Atlantic National Bank Of Jacksonville	40,400	.18	40,400	-
49. Tulane University	40,000B	.18	40,000B	-

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
50. Cornell University	40,000	.18	40,000	-
51. Madison Fund Inc	40,000	.18	40,000	-
52. Security Pacific National Bank	15,600	.07	50,200	-
53. Chase Manhattan Bank NA	6,000	.02	302,000	-
54. First National City Bank (NY)	2,260	.01	156,380	-
TOTALS	11,235,085	51.05%	13,106,985	

TOP 5 SHAREHOLDERS VOTE 22.23% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 31.57% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 37.29% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 40.88% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 43.32% OF THE STOCK.

WILSON FREIGHT CO

3636 Follett Ave., Cincinnati, OH 45223

Incorporated: Ohio
Fortune Rank: –
Assets: $39,687
Total Debt: $14,232
Debt/Asset Ratio: 35.9%
Lease Commitments: $1,064
Number of Employees: 3,000
Operating Revenue: $94,089
Income: $6,185 (a)
Net Income: $2,774
Foreign Operating Revenue: None
Foreign Income: None
Income Tax Rate: 42.9%
Regulation: SEC, ICC

Principal Underwriter(s)

S (1966)–Bache, Halsey Stuart & Co

Legal Counsel(s)

NA

Transportation Subsidiaries

None

Comments

Corporate Structure: In July 1976 Company acquired a portion of bankrupt ASSOCIATED TRANSPORT INC's operating rights.'

Business Lines	Percent of Operating Revenue	Percent of Income
Trucking	99.9%	NA
Leasing	0.1	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	1,692,000	1	1,692,000	1,203

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Gantz Family Interests# Gantz, David M & Family (333095) Gantz, Joseph & Family (158784) Gantz, Harry (60600)	551,879	32.62	551,879	-
2. Shor, David S & Family#	332,200	19.63	332,200	-
3. Shore, John E & Family#	328,960	19.44	328,960	-
4. Goldberg, Mitchell B	115,000	6.80	115,000	-
5. Roelker, James E#	4,000	.23	4,000	-
6. First National Bank Cincinnati	-	-	10,340	-
7. First National Bank Of Boston	-	-	-	82,984
TOTALS	1,332,039	78.73%	1,342,379	

TOP 5 SHAREHOLDERS VOTE 78.73% OF THE STOCK.

WTC AIR FREIGHT

1400 Quail St., Newport Beach, CA 92660

Incorporated: California
Fortune Rank: –
Assets: $20,483
Total Debt: $131
Debt/Asset Ratio: 0.6%
Lease Commitments: $7,005
Number of Employees: 1,395
Operating Revenue: $80,970
Income: $3,149 (b)
Net Income: $1,527
Foreign Operating Revenue: Insignificant
Foreign Income: Insignificant
Income Tax Rate: 51.5%
Regulation: SEC, ICC, CAB

Principal Underwriter(s)

S (1971)—Reynolds Securities

Legal Counsel(s)

Paul, Hastings, Janofsky & Walker (Gen. Couns.), CA: fees for 1974—$40

Transportation Subsidiaries

None

Comments

Corporate Structure: In 1974 Company disposed of its ocean freight forwarding and custom brokerage operations. Company and its shareholders decided in 1976 to change Company's name to WTC Inc and to transfer all assets and operations of the Air Freight Forwarding Division to a new subsidiary called WTC AIR FREIGHT. The decision is subject to CAB approval.

Changes in Corporate Control: In January 1977 Harry M. Baker, president of WTC Inc, acquired 214,000 shares of Company common stock, raising his family's total to 484,000 shares.

Business Lines	Percent of Operating Revenue	Percent of Income
Air Freight Forwarding	58.4%	76.8%
Surface Freight Forwarding	36.2	18.6
Leasing	5.4	4.6

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (3-7-75)
Common	2,103,150	1	2,103,150	2,249

PRINCIPAL STOCKHOLDERS	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Meyers, R B Estate & Family Interests#	455,050	21.64	455,050	–
Meyers, R B Estate (19600)				
Western Truck Leasing Co (434450)				
Rigali, Paul J (1000)				
2. Baker, Harry M & Family#	194,723	9.26	194,723	–
3. American National Financial Corp<	150,000	7.13	150,000	–
American National Insurance Co (100000)				
Securities Management & Research Inc*				
American National Growth Fund (50000)				
4. Montgomery, M G#	45,750	2.18	45,750	–
5. Penson, Jack A	25,000	1.19	25,000	–
6. Investment Management Corp*	22,300	1.06	22,300	–
Western Industrial Shares Inc (22300)				
7. Colonial Life & Accident Insurance Co	19,200	.91	19,200	–
8. Fry, George F Jr#	17,300	.82	17,300	–
9. Signal Insurance Co	5,000	.23	5,000	–
Imperial Insurance Co (5000)				
10. Dennison, Walter N#	4,350E	.20	4,350E	–
TOTALS	938,673	44.63%	938,673	

TOP 5 SHAREHOLDERS VOTE 41.39% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 44.63% OF THE STOCK.

YELLOW FREIGHT SYSTEM INC

10990 Roe Ave., Shawnee Mission, KA 66207

Incorporated: Indiana
Fortune Rank: 27 T
Assets: $206,149
Total Debt: $51,257
Debt/Asset Ratio: 24.9%
Lease Commitments: $551
Number of Employees: 12,000
Operating Revenue: $393,508
Income: $51,085 (a)
Net Income: $23,997
Foreign Operating Revenue: Insignificant
Foreign Income: Insignificant
Income Tax Rate: 48.3%
Regulation: SEC, ICC

Principal Underwriter(s)

NA

Legal Counsel(s)

Swanson, Midgley, Gangwere, Thurlo & Clarke (Gen. Couns.), KA: fees for 1974–$138

Transportation Subsidiaries

None

Comments

Corporate Structure: In January 1975 Company acquired Republic Freight System Inc (ST) from REPUBLIC INTERMODAL CORP. Company also owns Yellow Forwarding Co, the 19th largest U.S. freight forwarder.

Business Lines	Percent of Operating Revenue	Percent of Income
Trucking	95.3%	NA
Freight Forwarding	4.7	NA

Stock Structure

Class	Shares Outstanding (1-1-75)	Votes per Share	Total Votes per Class	Stockholders of Record (1-1-75)
Common	14,216,700	1	14,216,700	3,307

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
1. Powell Family Interests#	2,923,394	20.56	2,923,394	-
Powell, George E Jr & Associates (2394492)				
Powell Family Foundation (95200)				
Kuehn Foundation (46800)				
Mcleod, M L Powell (386902)				
2. Brickman, Lester H & Family#	798,690	5.62	798,690	-
3. Williams, Wilson M	723,696	5.09	723,696	-
4. American General Insurance Co<	668,800	4.70	668,800	-
American Genl Life Insur Co-Del (26000)				
American General Life Insur Co-Tex (16000)				
Life & Casualty Insur Co Of Tenn (70000)				
Maryland Casualty Co (180000)				
Variable Annuity Life (164000)				
American General Capital Management Inc*				
American General Growth Fund (8100)				
Channing Shares Inc (121500)				
Channing Securities Inc (40000)				
Equity Growth Fund Of America (8200)				
Fund Of America Inc (35000)				
5. Allen, Marjorie Brown	342,796	2.41	342,796	-
6. Prudential Insurance Co Of America< (209000)	324,000	2.28	324,000	-
Prudential Fund Management Canada Ltd*				
Prudential'S Gibraltar Fund (115000)				
7. Bankers Trust Co	285,301	2.01	300,000	34,400
8. Mellon Bank NA	252,000	1.77	252,000	-
9. Seligman (J & W) & Co+	200,000	1.41	200,000	-
Union Service Corp*				
Tri-Continental Corp (200000)				
10. Ohio State Teachers Retirement System	200,000H	1.41	200,000H	-
11. Midgley, Kenneth E & Family#	189,776	1.33	189,776	-
12. First National Bank-Kansas City	167,936	1.18	167,964	-
13. Oppenheimer & Co+	165,000	1.16	165,000	-
Oppenheimer Management Corp*				
Oppenheimer Fund Inc (90000)				
Oppenheimer Aim Fund (75000)				
14. Bank Of America NTSA	143,198	1.01	143,198	-
15. Bransford, John S & Family#	130,792	.91	130,792	-
16. Mcmorris, Donald L & Family#	102,400	.72	102,400	-

	MANAGED HOLDINGS			ADDITIONAL HOLDINGS
	Voting Power			
PRINCIPAL STOCKHOLDERS	Number of Votes	Percent Total Votes	Total Managed Holdings	Management Powers Not Identified
17. Keystone Custodian Funds Inc* Keystone Apollo Fund Inc (9000) Keystone O.T.C. Fund Inc (14600) Keystone Custodian Fds Series S-3 (50000) Polaris Fund Inc (26000)	99,600	.70	99,600	-
18. United Missouri Bank Of Kansas City	97,800	.68	97,800	-
19. Robeson, Mark D & Family#	87,400	.61	87,400	-
20. Morgan Guaranty Trust Co	79,700	.56	268,260	131,240
21. Security Pacific National Bank	73,000	.51	73,600	-
22. Capital Research & Management Co* Capital Fund Of America (44000) American Special Fund (25400)	69,400	.48	69,400	-
23. First American National Bank	63,900	.44	63,900	-
24. Employers Insurance Of Wausau Employers Mutual Fire Insurance Co (6000) Employers Mutual Liability Insur Co (54000)	60,000	.42	60,000	-
25. International Telephone & Telegraph Corp< Hartford Accident & Indemnity Co (58000)	58,000	.40	58,000	-
26. Travelers Corp< Travelers Indemnity Of America (600) Travelers Indemnity Of Rhode Island (6000) Travelers Insurance Co (46200)	52,800	.37	52,800	-
27. New England Merchants National Bank	48,360	.34	63,130	-
28. Edwards, Harold H#	46,600	.32	46,600	-
29. Industrial National Bank Of Rhode Island	43,800	.30	43,800	-
30. Scudder Stevens & Clark Co* Scudder Duo-Vest Inc (40476)	40,476	.28	40,476	-
31. Harris Trust & Savings Bank	33,000	.23	33,000	-
32. Alderson, Ray V#	31,600	.22	31,600	-
33. Chase Manhattan Bank NA	16,600	.11	204,000	-
34. Detroit Bank & Trust Co	-	-	-	549,376
35. Irving Trust Co	-	-	-	83,980
TOTALS	8,619,815	60.63%	9,025,872	

TOP 5 SHAREHOLDERS VOTE 38.39% OF THE STOCK.
TOP 10 SHAREHOLDERS VOTE 47.26% OF THE STOCK.
TOP 15 SHAREHOLDERS VOTE 52.86% OF THE STOCK.
TOP 20 SHAREHOLDERS VOTE 56.15% OF THE STOCK.
TOP 25 SHAREHOLDERS VOTE 58.43% OF THE STOCK.

NOTES TO PART TWO INTRODUCTION

1. The number of companies profiled in Part Two (176) varies from the number of sample transportation operators (194) because some operators share the same parent.

2. In most cases the number of votes is equal to the number of shares. Each class of stock, the total number of shares outstanding, the number of votes per share and the total votes per class are listed under the heading "Stock Structure" in the company profiles. It should be noted that this study only includes classes of stock which were eligible to vote at the annual meeting of 1975.

3. These standards were derived from the specifications of the Model Corporate Disclosure Requirement (MCDR) which was recommended in January 1975 by a federal Interagency Steering Committee on Uniform Corporate Reporting. The MCDR recommended the disclosure of the top 30 voting stockholders after the aggregation procedure, but no holder with less than 1/10th of 1 percent of a company's outstanding stock. For the purposes of the CDE study the standard was raised somewhat to keep the number of holders within manageable limits.

4. A comprehensive list of banks and their nominees is published annually by the American Society of Corporate Secretaries. Some large holdings, however, are reported under Cede & Co, the nominee of the Depository Trust Co, a stock clearing house associated with the New York Stock Exchange. Cede acts as the record holder for numerous bank and broker members to simplify stock transactions, but has no authority to vote, purchase or sell the stock. Where possible, Cede holdings were disaggregated and attributed to their actual holders.

5. Bank holding companies were listed only if they controlled more than one large financial institution holding significant amounts of stock. Otherwise only the banking subsidiary was listed. In a few cases, particularly for mutual funds and mutual insurance companies, a holder is determined to be controlled by another entity if they share a majority of their boards of directors.

6. The term "management" is used in two distinct ways. On the one hand, the term is used to describe the administrative power exercised by an investment advisor over a mutual fund. In other instances, the term is used to describe holdings over which institutional investors exercise any management authority, i.e. voting authority, investment discretion, investment advice and trustee authority. These managed holdings must be distinguished from stock merely held in custodial accounts over which the institutional holder exercises no authority whatsoever.

7. The definition of "management powers" was developed by the Comptroller of the Currency for the annual reports filed by nationally-chartered banks on their holdings. Under "voting power" the CDE has combined all shares over which the holder exercises sole or shared voting authority, as reported to the Comptroller. In six cases where the CDE could identify both parties sharing the voting power over a single holding, it was listed in the "voting power" column under only one party but in the "total managed holdings" column under both parties. This duplication was eliminated in the "total" for the managed column by deducting the double entry before the final addition. In a few cases the banks did not indicate whether they exercised voting authority over any of the holdings that they managed. In one such case, Provident National Bank, the figures listed in the voting column represent the bank's sole and shared investment authority.

8. In several instances where a brokerage firm controls an investment advisor which in turn manages mutual funds, the fund's holdings are listed as the "managed holdings" of the broker.

9. None of the other holders have an entry in "additional holdings" and their "voting power" and "total managed holdings" are always identical.